FBIS DAILY REPORT

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VIOLA SAYS NOTHING DECIDED ON SINAI FORCE

PY030350 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2347 GMT 2 Jul 81

[Text] Mar del Plata, 2 Jul (NA)--Argentine President Roberto Viola today said that the Argentine Government has reached no decision concerning possibly sending troops to the Sinai Peninsula.

"Nothing has been decided in this regard," the chief of state said when a journalist asked him whether Argentina will send troops to the Sinai Peninsula.

However, in view of the insistent questions of the press, he admitted that "the national government is studying the issue."

PRESIDENT SAYS NO CABINET CHANGES FOR 'MOMENT'

PY032026 Buenos Aires HERALD in English 3 Jul 81 p 1

[Text] (NA)--President Roberto Viola yesterday denied rumors that Economy, Treasury and Finance Minister Lorenzo Sigaut had resigned to his post, adding that "for the moment, the economic team will remain unchanged" although he admitted that "there might be changes within the administration when the situation so demands."

The president pointed out that the figure quoted by Buenos Aires dailies for the total estimated unemployed in the country--four million--was "not real." He added that "this problem (of unemployment) is something which cannot be solved overnight" but that the government would concentrate its efforts to revert the situation.

General Viola said yesterday that to verify freedom of the press in Argentina you must go back to (and read) the newspapers from 30, 60 or 90 days ago to see that there are no expressions limiting freedom of information. "Read the headlines and then tell me whether you find that what is being said against the government is too little and, if even then you still think there is no press freedom, come see me and we'll discuss it at my office."

VIOLA COMMENTS ON SHORT-TERM ECONOMIC SOLUTION

PY021658 Buenos Aires TELAM in Spanish 1525 GMT 2 Jul 81

[Text] Mar del Plata, 2 Jul (TELAM)--President Roberto Eduardo Viola said here today at noon that of course the current economic team will be retained.

He added that in that sector, as in any other government sector, changes can be made if it is deemed that the needs of the government so demand it.

Talking about the power structure Viola indicated that in this aspect I was fairly clear when I spoke in Santa Fe last Friday [as received]. I have participated in this power structure from the beginning, since 1976. You can be absolutely certain the power structure is a good one.

Regarding the economic situation, a reporter asked him if he saw a short-term solution, to which Viola answered: "I believe so." Regarding the problems of unemployment, he asserted that there is concern over the current situation.

The president and his entourage then left Camet Airport for the auditorium of the casino in order to preside over the opening of the Federal Health Council's meeting.

STATE BANK DIRECTOR ANTONIO PIRAN RESIGNS

PY021715 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0142 GMT 1 Jul 81

[Text] Buenos Aires, 30 Jun (NA)--Antonio Piran has resigned from the post of director of the bank of the Argentine nation. He gave the reason for his decision, indicating that "the necessary definitions for overcoming the difficult situation being experienced by the nation" are not forthcoming.

In his resignation, which was submitted in a note to Economy Minister Lorenzo Sigaut last Friday, Piran questions the recently adopted economic measures and he indicates that they are contrary to the basic principles outlined in the basic documents of the military process that began in March 1976.

Piran, who was chairman of the Argentine Rural Society until September 1980, indicates in his resignation that "the recent economic measures are contrary to the principles that I have always maintained and which agree with those outlined in the basic documents of the process for national reorganization, to which I reiterate my support."

Piran's resignation comes after those of Conrado Helbling, former president of that bank and of Julio Gonzalez Soler, its former vice president.

JUNE COST OF LIVING INCREASE 9.4 PERCENT

PY052245 Buenos Aires HERALD in English 4 Jul 81 p 1

[Text] (NA)--The cost of living increase for June was 9.4 percent, while wholesale prices went up 18.6 percent as compared to May levels, the Economy Ministry said yesterday. With the announced figures, the increase in retail prices for the first 6 months of this year was 46.9 percent, while wholesale prices rose by 62 percent during that same period.

Yearly inflation, projected from prices evolution during the first 6 months of this year, is thus 116 percent for retail prices and 164 percent for wholesale.

Price increases from June, 1980 to June, 1981, were 94.3 percent for retail prices.

Imported goods and camp [i.e. rural] produce were the ones with the biggest increase during June, since they went up by 32.3 and 27.7 respectively.

The increase in wholesale prices is the highest recorded over the last few years, while the relatively mild increases in consumer prices is thought to be directly related to the recession of the internal market, which impeded further price adjustments.

CNEA HEAD CASTRO MADERO ON NUCLEAR TOPICS

PY021434 Buenos Aires TELAM in Spanish 1210 GMT 30 Jun 81

[Text] Buenos Aires, 30 Jun (TELAM)--The chairman of the National Atomic Energy Commission [CNEA], Vice Adm Carlos Castro Madero, has announced that the first pouring of cement for the Atucha II complex will be made on 15 July 1981, "thus," he asserted "Argentina's third nuclear plant will officially begin to be built."

In statements that are published in today's CONVICCION, Castro Madero refers to various topics regarding the development of the Argentine nuclear plan and to the possibilities of nuclear engineers obtaining jobs within the next few years.

He said that the nuclear plan that has been drafted by the CNEA "can be delayed, but not paralyzed" by the recent exchange measures.

"The effect of the devaluations on the nuclear projects," he explained, "is currently being evaluated and we estimate that within 15 days we will have a complete panorama that will enable us to submit a report and then see what measures can be adopted."

He added that regardless, decisions have already been adopted because both the plants located at Embalse, Cordoba. and the heavy water plant located at Arroyito "are not postponable."

In this respect, he also indicated that the construction of Atucha II, the country's third nuclear plant, will begin officially on 15 July 1981.

Regarding the job possibilities in Argentina for newly graduated nuclear engineers, Castro Madero said that the nuclear plan contemplates and guarantees that the demand for nuclear engineers will increase by the hundreds during the next few years.

"Evidence of this," he continued, "is the fact that the 15 graduates (from the Balseiro Institute) have received 39 jobs offers. This will prevent nuclear engineers from leaving the country and in this way they will comply with their commitment to stay and work in Argentina."

Concluding, the head of the CNEA stated that all of this will be strengthened when the RA-6 nuclear research reactor, 98 percent of which was manufactured in our country, will begin to function next year.

HIGH-RANKING OFFICERS, PRESIDENT VIOLA MEET

Upset Over Massera's Remarks

PY032015 Buenos Aires CLARIN in Spanish 3 Jul 81 p 8

[Text] Military circles yesterday indicated that the recent remarks of Adm Emilio Massera, who criticized General Galtieri, have deeply upset the army.

It seems that the subject was even discussed at the meeting of high-ranking army officers who have reportedly advised Galtieri to hold a meeting with the two other commanders in chief.

Equal displeasure has been noted regarding an article published yesterday by the morning daily LA PRENSA urging a reshuffle of the government and the military leadership.

Within this atmosphere, Argentine president Viola arrived at the army general headquarters at approximately 2000 yesterday. Even though it has been reported that he merely wanted to greet the generals, it is possible that he has discussed the abovementioned issues with Galtieri.

It has been impossible to confirm whether the two other commanders in chief, General Graffigna and Admiral Lambruschini, were also at the army general headquarters.

Meeting Concluded

PY041406 Buenos Aires TELAM in Spanish 1005 GMT 4 Jul 81

[Excerpt] Buenos Aires, 4 Jul (TELAM)--Lt Gen Leopoldo Fortunato Galtieri, commander in chief of the army, made a report to the generals who have commands throughout the country on current national and international matters, including those regarding the army.

Thus, the meeting of the high-ranking army officers, which lasted for 3 days and was held at the Libertador Building, army headquarters, has concluded.

NUNCIO REVEALS INVESTIGATION OF SAMORE STATEMENTS

PY041758 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1524 GMT 3 Jul 81

[Text] Reconquista, Santa Fe, 4 Jul (NA)--The Apostolic Nuncio Msgr Ubaldo Calabresi guardedly revealed that the Vatican is investigating the alleged talk Cardinal Antonio Samore had held with an Argentine official involved in the mediation process over the southern border conflict with Chile. However, he refrained from making any further commentaries.

Regarding the papal mediation over the border conflict, he pointed out that "the negotiations are advancing."

Today Calabresi made brief statements here, in the north of Santa Fe Province, where he has come to pay a visit to the local diocese.

At this time Calabresi was asked whether there would be an official denial from the Holy See on the alleged talk Samore held with an Argentine representative. He stated: "We have heard nothing so far. it still has to be established whether the statements are authentic; what the cardinal could have said, and what the other person could have stated. There are many questions regarding this subject. I can't say any more."

Regarding the next steps which could be taken regarding the papal mediation over the Argentine-Chilean border conflict he stated that "those steps are being analyzed at present." He disclosed that "conclusions are being reached regarding the Argentine document" and that "the negotiations are advancing."

At another point in the talk with journalists Calabresi was questioned on the document released by the Argentine Episcopate on 30 June. He stated that it is a "very important document which may enlighten all the believers and all the members of the church so that they may work for the country's welfare."

Regarding the pope's health he said that according to the last reports "the pope's health is gradually and slowly improving."

POLITICIANS CONTINUE CRITICISM OF GOVERNMENT

PY052305 Buenos Aires HERALD in English 4 Jul 81 p 9

[Text] (NA)--The military government was the target of continuing harsh criticism from political party ranks at week's end as a Radical Party leader said that "this must be the last "military government" and Federal Party chief Francisco Manrique opined that the first 90 days of the Roberto Viola administration had "demonstrated the failure of the (national reorganization) process" and termed the future political parties statute "a trap for democracy".

Former national economy minister and Radical Party (UCR) official Juan Carlos Pugliese called in a speech at the Eugenio Blanco Foundation on Thursday night for the rehabilitation of the country's "political life" and said that "this must be the last military term" in government. He called on the government to lift obstacles on "the road to national reorganization".

Pugliese told his audience that "there is nothing to fear of the apparent disorder on the surface which generates a confrontation of different ideas." And he added that it was "When this confrontation is not produced that there is deep disorder which explodes at some given moment and is much more serious and dangerous than the disorder the vital exercise of democracy provokes".

Pugliese also said that there was "no doubt that in the minds of many men in the armed forces there is a plan to prolong the period of (military) government for one or perhaps two more terms". But he indicated that the Radical Party maintained that President Roberto Viola should be "the last president elected by the junta" since "if after 5 years we are in this climate of distrust and lack of credibility, I wonder what will happen in this country and what (kind of) country we're going to be governing from 1984 to 1987 if the country is not called upon to decide upon its own destiny."

In San Juan, where he was invited to give a conference yesterday, another top Radical, former Vice President (under the Arturo Illia administration) Carlos Perette, said that "we want the success of the republic, without antipathy between civilians and the armed forces" he indicated that the radicals could not abide any military attempt to raise barriers between the armed forces and the civilian population.

Perette added that "in 1984 there should be a president elected by the people and that "the process of political normalization should not be carried out in stages".

Radical Metropolitan Committee President Juan Trilla also spoke yesterday in Buenos Aires at a ceremony in homage to Hipolito Yrigoyen on the 48th anniversary of the Radical president's death. He traced the cycle of civilian governments and the years of difficulty and disagreement it has brought to the overthrow of Yrigoyen's elected government in early 1930's and referred to the historical event as a defeat for the Argentine people.

Trilla added that the "common destiny" of the Argentine people could not be "a unilateral proposal by a single sector" (namely, the military) and he called for "a great national assembly which would permit the participation of all Argentine sectors".

Federal Party leader Francisco Manrique said in an interview published yesterday in the Cordoba newspaper LA VOZ DEL INTERIOR, when asked what he thought of the Radicals and their idea of a political assembly, that he believed "in more serious things than that little sideshow, which is nothing more than a waste of time."

In speaking of the military government, Manrique said that President Viola was "a victim of two things: a burdensome heritage and his tremendous loyalty to his comrades at arms, particularly the one (Jorge Rafael Videla) who preceded him in power."

Manrique went on to say that Viola "accepts this legacy in silence, without explaining anything to the man on the street; he makes a few corrections, which should doubtless be made, and it is he who bears the burden of apparent blame and this mistrust from the street which is leading to the weakening of the whole process".

Of the future political parties statute, Manrique said that it was a "trap for democracy" since it would "deny the people their capacity to arbitrate" in the choosing of the country's leadership.

The Federalist leader said that the talks the Radicals are currently holding with other political parties including the Peronists, Christian Democrats, Intransigents and others reminded him of the so-called "hour of the people" in the early 1970's, when a number of political movements decided to join the Peronist Front. "We, of course, are going to be absent (from the meetings)," Manrique said.

PRESIDENT URGES STRENGTHENING OF ARMED FORCES

PY030238 La Paz EL DIARIO in Spanish 20 Jun 81 p 20

[Excerpt] As long as the Chileans persist with their territorial exchange proposal as a way to resolve Bolivia's landlocked situation, Bolivia will not resume its diplomatic relations with that country.

This statement was made yesterday by Bolivian President Luis Garcia Meza to the press during the commemoration of the eighth anniversary of the army communications and liaison command.

The chief of state said that he does not agree with the thesis which supports negotiations for the recovery of the sea outlet, "even though some may criticize me." He added: "I believe that we have lost our sea through force, our territory has been invaded, we have been betrayed. We have done everything we could through international organizations, we have sought the assistance of the OAS and the Chileans have remained deaf to our claims. Therefore, we must be realistic and strengthen ourselves to recover the sea."

Speaking about the strengthening of the armed forces, General Garcia Meza said "without increasing the strength of the armed forces there can be no stability within the framework of international politics." He added that "despite the money which is being spent on strengthening the armed institution we still have nothing and are the weakest among other Latin American nations."

He indicated that in view of this situation the people must realize that the armed forces must acquire ever increasingly sophisticated material for all branches, especially for the army.

Asked about the cost of this strengthening, the president said that exact amounts have not been established yet; this will be done after several studies.

GARCIA MEZA WANTS CIVILIANS IN GOVERNMENT

PY021927 La Paz Radio Illimani Network in Spanish 1130 GMT 2 Jul 81

[Excerpt] It is our clear purpose to promote civilian participation in the armed forces Government of National Reconstruction, to increase civilian responsibilities in our daily tasks, President Garcia Meza said on administering the oath of office to Marcelo Galindo, the new minister secretary of the Presidency, who replaces Col Jorge Salazar Crespo who was appointed interior, migration and justice minister.

On that occasion President Garcia Meza said: [Begin recording] It is our clear purpose to promote civilian participation in the armed forces Government of National Reconstruction to increase civilian responsibilities in our daily tasks. Respect for superiors, loyalty and subordination are the traits of those men who serve their fatherland without expecting any reward.

Therefore, no rights can be claimed by those who staged that political carnival that led them into anarchy. [end recording]

President Garcia Meza also reasserted his government's purpose of furthering the achievements which have been accomplished thus far:

[Begin recording] The armed forces Government of National Reconstruction is striving to further the achievements which have been accomplished thus far to guide the Bolivian people, (?to whom we are indebted), through improved development paths. [end recording]

The president also said that despite the campaign carried out to disredit his government, measures are being taken to readjust administrative mechanisms and to render improved services to the nation: [Begin recording] We are adjusting the administrative organization, yet this task is being hindered by those who seek to become the nation's saviors but who are guilty of having caused the nation's indebtedness to benefit a few people. The crisis the country is now undergoing is clearly instrumental in identifying those who took advantage of the former situation. [end recording]

ROLON ANAYA DISCUSSES TIES WITH U.S., ANDEAN PACT

PY041226 Paris AFP in Spanish 0054 GMT 4 Jul 81

[Excerpts] La Paz, 3 Jul (AFP)--Foreign Minister Mario Rolon Anaya has termed reasonable the U.S. position of waiting until the presidential succession in Bolivia, which was set for 17 July, before resuming diplomatic relations with Bolivia.

Rolon Anaya stated here today that Bolivian OAS Ambassador Alberto Quiroga Garcia is holding smooth talks with State Department officials in Washington. He noted, however, that a final meeting with Thomas Enders, assistant secretary for inter-American affairs, is expected.

The foreign minister said that in the next 15 days Ambassador Quiroga will meet with Assistant Secretary Enders and added that positive steps toward resuming diplomatic and economic ties between the two countries are expected from this meeting.

Commenting on integration processes, Rolon Anaya said that Bolivia maintains cordial relations with all neighboring countries and that proof of this is the continuity of the Andean and River Plate subregional agreements.

He added that a meeting of foreign ministers of Andean countries will depend on solving the problem known as the critical package of integration, especially regarding the automotive and food programs.

He said that the existing difficulties must be overcome following technical and economic guidelines designed to promote integration.

He said that a note drafted in keeping with the above line of thinking had been sent to Peruvian Foreign Minister Javier Arias Stella in response to the latter's consultation about a meeting of Andean foreign ministers. He added that since Bolivia has no established deadlines for fulfilling integration, it will not accept interventionist ideas either in international relations or multinational accords.

COUNTRY'S CONSTITUTION WILL REMAIN UNCHANGED

PY022039 La Paz Radio Illimani Network in Spanish 1130 GMT 2 Jul 81

[Excerpts] Juan Lechin Suarez, president of the National Legislation and Advisory Council (CONAL), has announced that the prevailing opinion among the persons and institutions consulted is to maintain the present political constitution and to include only the necessary amendments in it.

The head of CONAL, which is charged with drafting the new constitution, said that according to the results of this first civic and democratic survey there appears to be a general consensus to maintain the present constitution. However, he said that a definite judgment on the affair cannot be passed yet.

According to the government's instructions, CONAL's purpose is to carry out a broad survey of all sectors of the country, without neglecting any political party. CONAL's president said that as soon as the commission in charge of the project is appointed, studies on the political parties law and on the electoral law will be started.

ARMY POSITIONS BEING FILLED; UNITY STRESSED

PY051848 Paris AFP in Spanish 1717 GMT 4 Jul 81

[Excerpts] La Paz, 4 Jul (AFP)--Political analysts noted here today that three military subversive revolts against President Luis Garcia Meza, which occurred on 11 and 25 May and 27 June, are causing profound changes in the army, very few in the navy and hardly any in the air force.

Gen Celso Torrelio Villa, the new commander in chief of the army, on announcing a few hours ago that a post in the army had already been filled, also reiterated that unity exists within the nation's armed forces.

Torrelio announced that Col Arnaldo Pinto will take charge of the Army's Department 4 (logistics), replacing Col Angel Vargas Tejada, who sought asylum 3 days ago in the Venezuelan Embassy.

He also indicated that Col Javier Alcoreza Melgarejo has taken charge of Department 2 (intelligence), replacing Gen Raul Ramallo, who was exiled to Argentina on Sunday.

Gen Eden Castillo Galarza, the chief of staff of the Armed Forces Joint Command, has been accused of being Col Emilio Lanza Armaza's accomplice and he has been placed in the active reserve. His post has been removed from the armed forces hierarchy.

Moreover, Defense Minister Armando Reyes Villa indicated that the military police are seeking Col Raul Lopez Leyton, former interior minister in the government of Gen David Padilla (1978-79); and Col Mario Oxa Bustos, former chief of territorial defense of the Defense Ministry.

It has also been noted that the post of chief of Department 6 (purchases) has not yet been filled. This post has been empty since Gen Simon Sejas Tardoya was exiled to Buenos Aires with Anez, Ramallo and Cayoja.

It has also been noted that young colonels are assuming posts of responsibility due to the fact that several generals have been implicated in the recent coup attempts.

In view of this situation, Torrelio, in statements made yesterday warned, in his role of commander in chief of the army, that he will demand "discipline, work and faithfully carrying out our specific military functions every day."

According to the analysts, these words demonstrate his desire to overcome the existing difficulties in the army, the primary and largest force within the Bolivian Armed Forces.

FOUR MORE OFFICERS REPORTEDLY EXILED TO ARGENTINA

PY040201 Paris AFP in Spanish 0027 GMT 4 Jul 81

[Excerpt] La Paz, 3 Jul (AFP)--Four more Bolivian officers were exiled to Argentina by the government of Gen Luis Garcia Meza Tejada, the newspaper EL MUNDO of Santa Cruz (located 1,000 km east from here) reported here today.

EL MUNDO said that among the exiles is Col Rolando Saravia Ortuno, former minister of Campesino Affairs under the government of Gen David Padilla Arancibia (1978-1979), who, as a minister, harshly criticized former President Hugo Banzer Suarez (1971-1978).

Col Orlando Guzman, former sports and youth secretary and public relations officer of the general staff, was also sent into exile to Buenos Aires on a Bolivian Air Lines regular flight.

The report states that it was not possible to determine the names of the other two exiles, but it notes that they are officers who were involved in the unsuccessful military coup carried out last Saturday against Garcia Meza.

JORNADA JOURNALIST QUESTIONED ON COUP STORY

PY060319 Paris AFP in Spanish 0101 GMT 4 Jul 81

[Text] La Paz, 3 Jul (AFP)--The director of the newspaper JORNADA, Jaime Rios Chacon, was invited to the Interior Ministry for 3 hours, sources close to that evening paper revealed today.

JORNADA yesterday published a story saying that Gen Simon Sejes Tordoya--who is now in exile in Argentina--and Col Mario Oxa Bustos--who is presumably in hiding--were charged by Commander of the Army Humberto Cayoja Riart (who has already been relieved of his post) with taking the Tarapaca armored regiment to support the frustrated subversive coup of last Saturday.

The interior minister asked Rios Chacon about the origin of this information, according to thses sources.

At the same time, the information minister [as received] Enrique Crespo, gave a final warning to the mass communication media to refrain from using information that has no relation to reality.

He reiterated, however, the maintenance of full freedom of the press in Bolivia.

RELATIVES REPORT ARREST OF POLITICAL LEADER

PY020307 Buenos Aires TELAM in Spanish 0025 GMT 2 Jul 81

[Text] La Paz, 1 Jul (TELAM)--Relatives of Macabeo Chila Prieto, leader of the Tupaj Katari Revolutionary Movement and former national deputy, have reported that the leader has been arrested by state security organizations.

They said that Chila Prieto has been under arrest for several weeks even though Interior Ministry security organizations have neither confirmed or denied this report.

The relatives of the peasant leader have asked Red Cross officials to negotiate permission for the leader to go into exile.

NEW INTERIOR MINISTRY UNDER SECRETARY SWORN IN

PY040223 Paris AFP in Spanish 0039 GMT 4 Jul 81

[Text] La Paz, 3 Jul (AFP)--Interior Minister Col Jorge Salazar Crespo today installed Eric Cardenas as the new Interior Ministry under secretary. Cardenas is a leader of Nationalist Revolutionary Movement (MNR), which at one time collaborated with the government of Gen Hugo Banzer Suarez (1971-78).

Cardenas replaces Victor Zannier, who is considered a close friend of former Interior Minister Gen Celso Torrelio Villa, who is the new commander in chief of the army.

In a statement to the press, Salazar Crespo said that the government of Gen Luis Garcia Meza has not yet decided to which country rural leader Genaro Flores--who was arrested and seriously wounded on Friday, 19 June--will be sent.

ENGESA, IMBEL DENY SHIPMENT OF ARMS TO IRAN

PY030229 Rio de Janeiro O GLOBO in Portuguese 30 Jun 81 p 6

[Text] Upon learning of a report that a shipment of Brazilian arms to Iran was supposedly made in February, an ENGESA [Specialized Engineers Inc.] source stated that the company has not transacted any business with that country since the Ayatollah Khomeini came into power. Operations have been suspended since November 1979. A source of the IMBEL [ordnance industry] Board of Directors also said that he is not aware of the existence of the Consultores Gerais Company, which had alledgedly acted as broker.

According to the ENGESA source, the directors of the company and custom authorities would have been aware of any transaction amounting to $56 million. The IMBEL source also said that "a transaction in that amount would not have gone unnoticed by the Central Bank, the Foreign Trade Department of the Bank of Brazil [CACEX] and custom authorities."

He added: "We don't do business with Iran and we never did any business through that company (Consultores Gerais). By the way, we do not know of the existence of such a company."

The ENGESA source insisted that "the government ought to seriously investigate the kind of rumors involving the name of Brazil in the Middle East," adding that it is strange that in the wake of the information from Tel Aviv that Brazil is shipping uranium to Iraq--which is a good trade partner--information of a shipment of Brazilian arms to Iran, Iraq's enemy, should come from the same source. In his opinion, somebody "wants to weave intrigues between Brazil and Iraq."

GOVERNMENT TO BUY SOVIET HYDROELECTRIC EQUIPMENT

PY020317 Rio de Janeiro O GLOBO in Portuguese 1 Jul 81 p 19

[Text] Brasilia (O GLOBO)--Brazil will purchase from the Soviet Union approximately $100-million worth of hydroelectric equipment as provided for in the trade agreement to be signed by Planning Minister Delfim Neto during his trip to Moscow 13-15 July.

The equipment is to be used in the future hydroelectric dams of Ilha Grande, Parana State (to be built by the Southern Electric Power Plants--ELETROSUL), and in that of Cachoeira Porteira, Para State, to be built by the Northern Electric Power Plants [ELETRONORTE].

The $100 million corresponds to 20 percent of the total cost of the equipment to be used in the two hydroelectric plants. Through negotiations, the Brazilian capital assets sector has been assured that 80 percent of the equipment will be produced in Brazil.

The main item Neto is to negotiate with the Soviet Government is that of changing the current trade terms signed by the two countries in 1975.

Through this agreement, the Soviet Union is committed to purchase Brazilian products--only 30 percent of which are to be industrial products--for the same value as the Soviet equipment to be purchased by Brazil.

Brazil wants to increase the percentage of industrial product, and will negotiate it through Minister Neto. In return, Brazil promises to supply, for a period of 5 years, Soviet needs for agricultural goods, respecting the relationship between harvest and the tonnage earmarked for the foreign market, also to be negotiated during the visit of the Brazilian delegation. At the same time, prices of Brazilian agricultural products sold to the Soviet Union, within the agreement, will not necessarily follow the rates of the main international commodity markets.

The Soviets are mainly interested in soybeans, cocoa, meat and, in the mining sector, bauxite.

According to Jose Botafogo Goncalves, Planning Ministry adviser for international affairs, Neto's trip has been confirmed (it has been postponed twice due to the need for more consultations between the two governments regarding the guidelines for talks). Approximately 100 Brazilian businessmen will accompany the minister. For that purpose, the Visconde do Cabo Frio Foundation, linked to Itamaraty, is arranging--with resources of the businessmen--the chartering of an airplane to take them to Moscow.

PARLIAMENTARY MISSION TO BEGIN VISIT IN PRC

PY041311 Rio de Janeiro O GLOBO in Portuguese 3 Jul 81 p 5

[Text] Brasilia (O GLOBO)--The first official Brazilian parliamentary mission since the reestablishment of diplomatic relations between Brazil and the PRC in 1974 will arrive in Beijing today. The Brazilian delegation is headed by Deputy Flavio Marcilio Deara, Social Democratic Party [PDS], president of the Foreign Relations Committee of the Chamber of Deputies.

Before departing, accompanied by 16 other parliamentarians from the PDS, the Brazilian Democratic Mobilization Party, and the Popular Party, Marcilio said that, "concerning the internal affairs of each country, Brazil is developing a policy of strengthening diplomatic and commercial relations with all people."

JUSTICE DENIES PRESSURES ON RIO CENTRO BOMBING

PY012313 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 1 Jul 81

[Text] Brasilia--Justice Julio de sa Bierrenbach, member of the Supreme Military Court, has denied receiving any pressures in connections with the statement he made after the release of the results of the police-military inquest into the Rio Centro bombing. In his statement Justice de sa Bierrenbach had said that whoever the perpetrators may be, they will sooner or later come before divine justice and this justice is infallible. He added that in his 4 years as justice of the Supreme Military Court he has never been under any pressure. At the same time Julio de sa Bierrenbach warned the terrorists who may be charged not to expect any mercy from him because he plans to treat them as harshly as possible.

FOREIGN MINISTER SARAIVA UNDERGOES SURGERY

PY022320 Brasilia Domestic Service in Portuguese 2200 GMT 2 Jul 81

[Text] Foreign Minister Ramiro Saraiva Guerreiro underwent [prostate gland] surgery in Rio de Janeiro today. He is doing fine, but no date has been set for his discharge from the hospital.

ENERGY MINISTER MEETS HUNGARIAN OFFICIAL

PY020259 Brasilia Domestic Service in Portuguese 2200 GMT 1 Jul 81

[Text] After meeting with Mines and Energy Minister Cesar Cals, Hungarian Deputy Foreign Trade [as heard] Minister Otto Herkner said that his country is interested in importing manufactured goods and iron ore from Brazil. According to Minister Herkner, the transaction is depending on reduction of the trade balance deficit affecting Hungary. At present, Brazil exports more than $200-million worth of goods to Hungary and buys goods worth less than $10 million from it.

GOVERNMENT RATIFIES LAIA MONTEVIDEO TREATY

PY030043 Paris AFP in Spanish 0230 GMT 30 Jun 81

[Text] Montevideo, 29 Jun (AFP)--Chile today ratified the 1980 Montevideo Treaty which created the Latin American Integration Association (LAIA).

Chilean Ambassador Elbio Bacigalupo and Chilean representative before the LAIA Jorge Mook, today delivered the appropriate legal documents to LAIA officials.

The new association, which took the place of the inoperative LAFTA [Latin American Free Trade Association], went into effect in March this year after Argentina, Uruguay and Paraguay delivered their ratification papers.

The treaty is yet to be ratified by Bolivia, Brazil, Colombia, Ecuador, Peru and Venezuela.

GOVERNMENT DENIES POPE WILL MAKE SECOND PROPOSAL

PY041545 Santiago Chile Domestic Service in Spanish 1100 GMT 4 Jul 81

[Text] Col Ernesto Videla, Foreign Ministry under secretary and head of the Chilean mediation delegation, termed the report on the existence of a second papal proposal to solve the southern border conflict between Chile and Argentina false.

This information was released by the Buenos Aires daily CLARIN, which stated that Pope John Paul II will make a second proposal to solve the conflict to the Chilean and Argentine people and not to their respective governments.

A source close to the Chilean delegation for the mediation stated that this was not possible, since the matter is in the hands of the Holy See which is working to find a solution to the problem.

ARGENTINE ENVOY: MEDIATION IN 'UNIMPEACHABLE HANDS'

PY030033 Buenos Aires LATIN in Spanish 1657 GMT 30 Jun 81

[Excerpt] Santiago, Chile, 30 Jun (LATIN-REUTER)--Argentine Ambassador in Santiago Hugo Mario Miatello said today that the mediation process over the southern border conflict between Chile and Argentina is in unimpeachable hands.

The diplomat said that this applies to the august mediator, Pope John Paul II, to Cardinal Antonio Samore and to the delegations of the two countries participating in the process.

In a statement to the press, Miatello said that "the term unimpeachable applies to all those who are working for the success of the negotiations through the special and peculiar system of negotiations."

BRIEFS

NEW AMBASSADOR TO CANADA--The Chilean Government has appointed Mario Silva Concha as the new Chilean ambassador to Canada replacing Abelardo Silva. Mario Silva was ambassador to Romania. [Santiago Chile Domestic Service in Spanish 1730 GMT 2 Jul 81 PY]

RESULTS OF OIL GLUT, PRICE DROP AFFECT ECONOMY

PA060208 Madrid EFE in Spanish 1936 GMT 4 Jul 81

[Text] Quito, 4 Jul (EFE)--Ecuador has never sold its oil for less than the $32 official price, according to Natural Resources Minister Eduardo Ortega.

Ortega thereby denied reports published abroad that Ecuador sold some of its crude for as low as $31 in April.

Ecuador has been forced to lower its price on oil from $40 per barrel in January to $32 recently due to the oil market glut.

The Ecuadorean Government tried to hold the price at approximately $33.50 to $34 until the middle of June when, according to Ortega, "production would have been stopped unless the storage tanks were emptied."

During the first quarter of this year the oil storage capacity was strained and, although the production level was not affected, the pumping of oil from the wells to the export terminal was suspended for several days.

The drop in the price of oil has resulted in the suspension of development projects and plans as well as cuts in the budget.

According to Deputy Galo Vayas, president of the parliamentary commission, the economic situation is not as "catastrophic" as the government claims.

Meanwhile, the Executive Branch believes that the meaning of its warnings of austerity have been exaggerated and according to presidential spokesman Augusto Alvarado the situation is "critical but surmountable."

Ortega said today that the country has sufficient oil export contracts to keep the economy in balance during the next several months.

That quantity, 3.5 million barrels a month, has been pledged and sold on different markets.

CENTER-LEFT BLOC TO BE FORMED IN LEGISLATURE

PA040211 Quito Cadena Ecuador Radio in Spanish 2300 GMT 3 Jul 81

[Text] Christian Democratic Legislator Wilfredo Lucero said today that a center-left bloc will definitely be formed in mid-July, and it will have clear and definite objectives. Lucero said that the other sectors have seen the need to form a bloc of this nature, which among other things will seek the restructuring of the legislature beginning on 10 August. The Christian Democrat said that this action will be a first step to guiding the other sectors of the country toward the center-left.

Regarding the next sessions of Congress, he said that time should not be wasted on prying into the Executive Branch, an action that in the past has been unproductive.

He said that Julio Cesar Trujillo, legislator and national director of the Christian Democrats, might be the candidate of the center-left bloc [for chairman of the National Congress]. He said: We don't rule out the possibility of leading the Chamber of Representatives if there is a consensus on this. However, he added, we have never sought just figurehead positions, but we are ready to contribute to the well-being of the country's institutions.

BELAUNDE LABELS MEETING WITH LEFTISTS 'POSITIVE'

PY041223 Paris AFP in Spanish 2259 GMT 2 Jul 81

[By Hugo Levano]

[Excerpts] Lima, 2 Jul (AFP)--The meeting President Fernando Belaunde and several of his ministers held with the main leaders of leftist parties at Government House was unanimously labeled positive today.

President Belaunde said that the meeting held last night was quite positive and that the dialogue was carried out ! a frank environment of mutual respect.

Alfonso Barrantes, president of the United Leftist bloc (IU), said at the end of the meeting which lasted close to 3 hours that he was optimistic.

This meeting between the government and the representatives of the eight Marxist and non-Marxist parties which make up the IU is part of the policy of social accord advocated by the government as the best way to confront the country's serious economic situation.

In accordance with this policy, the president offered a luncheon to congressmen of various parties last month during which he proposed an agreement on a plan to improve the living conditions of the rural population and poor neighborhoods.

The agreement was accepted by the right-wing Christian Popular Party (PPC) that is participating in Belaunde's government but rejected by the Aprista Party (center left) and the IU.

However, gave the basis for the left to express the need for dialogue to find valid solutions to all the economic and social problems.

Naturally, Belaunde accepted and last night he left the door open for new meetings when he said that the doors of the Government House will always be open for all and that there is a possibility for agreement.

However, the agreements did not seem real and were hard to find.

Peruvian Prime Minister Manueal Ulloz indicated that there was no agreement on the economic policies, but emphasized that in other areas like labor, there should not be much disagreement.

Another point discussed last night which provided positive results was the left's criticism of the law against terrorism approved 2 months ago.

Ulloa said that he proposed to the IU a meeting with jurists who wrote the law to see if reforms or corrections are needed.

INTERIOR MINISTER SAYS TERRORISM DIMINISHING

PY030225 Lima EL COMERCIO in Spanish 21 Jun 81 p 4

[Text] Peruvian Interior Minister Jose Maria de la Jara y Ureta yesterday said that terrorist actions have been declining throughout the nation thanks to the efforts of the police.

He announced that his office receives a weekly evaluaton of terrorist actions which take place and this shows that this disruptive activity has been declining.

The minister made this statement shortly before leaving for Masamari Base, where the Sinchis, a police unit trained for antiterrorist struggle, is headquartered. This unit commemorated its 16th anniversary yesterday.

Minister de la Jara praised the work of the Sinchis, who have been performing effectively wherever they have been stationed. "I believe that their efforts have allowed us to thwart and control many terrorist actions which were being planned," the minister said.

Further on he said the investigations police "had never violated human rights and their interrogations are carried out firmly but within the framework of the law."

He also said that the new law on the organization of the Interior Ministry places the interior minister in charge of the police forces.

He stressed that none of the police branches will be reorganized "because they are perfectly in keeping with the new constitution."

Gen Humberto Catter, director general of the civil guards, who also traveled to Masamari Base, stressed and praised the antiterrorist efforts of the Sinchis and police forces in general.

COMMERCIAL FLIGHTS TO/FROM ECUADOR RENEWED

PY031954 Lima EXPRESSO in Spanish 25 Jun 81 p 6

[Text] Commercial airline relations between Peru and Ecuador were renewed yesterday after having been interrupted for 5 months due to the border conflict between the two countries.

An Ecuadorean Airlines Boeing 707, carrying 40 passengers, landed at Jorge Chavez Airport yesterday at 1100.

Carlos Doimy, regional manager of Ecuadorean airlines, stated that the renewal of operations contributes to the further strengthening of the friendly links between the two countries.

He indicated his airline will have two flights a week covering the Quito-Guayaquil-Lima route.

On its part, AEROPERU [Peruvian State Airlines] has announced that it will renew its flights today. It will use DC-8's and Tristar's on its route, it reported.

BRIEFS

NEW OIL DEPOSIT--Iquitos, authorities of PETROPERU have disclosed that this company has discovered a new oil deposit with a preliminary production of 600 barrels per day. This discovery was made in San Juan, between Trompeteros and (Famayacu). According to the enterprise spokesman, the oil is of good quality and easy to transport through oil pipelines, but that the quantity of oil of the deposit has not been determined so far. [Lima Radio America in Spanish 1130 GMT 30 Jun 81 PY]

FEAR OF ATTACK DISCOUNTED IN WARSHIP PURCHASE

PA052102 Madrid EFE in Spanish 1713 GMT 5 Jul 81

[Text] Tijuana, Mexico, 5 Jul (EFE)--Adm Ricardo Chazaro Lara, Mexican secretary of the navy, said in Tijuana today that Mexico does not fear an attack from abroad and "is purchasing warships only in line with its economic development."

Admiral Chazaro Lara added that the ships purchased recently by President Jose Lopez Portillo's government will definitely help the Mexican Navy in patrolling the country's 10,000 km of coastline.

The secretary, who was interviewed during a working tour of this city on the U.S. border made by Lopez Portillo, said in conclusion that his country favors peace and opposes any arms buildup.

NEW GRENADIAN AMBASSADOR JACOBS INTERVIEWED

FL032258 Mexico City NOTIMEX in Spanish 2210 GMT 3 Jul 81

[By Fernando Sotres]

[Text] Mexico City, 3 Jul (NOTIMEX)--Richard Jacobs, Grenada's first ambassador to Mexico, with residence in Havana, Cuba, said today that his government will shortly sign an agreement with Pemex so that Pemex may conduct explorations in the Caribbean island's territorial sea. Grenada, which recently became independent from the British empire, Jacobs said, will arrange for Pemex to send experts to assess the island's hydrocarbons resources. An extensive study will also be made to provide the island with Mexican refined products.

The diplomat stressed that his government practices an antiimperialist policy geared toward socialism and that its relations with Cuba, Trinidad and Tobago and other Caribbean nations are good. Grenada obtained its independence from Great Britain 7 years ago and has been observing a foreign policy of rapprochement with other Latin American nations.

Interviewed at Mexico City International Airport, the Grenadian diplomat reported that he will be received next week by President Jose Lopez Portillo, to whom he will present his credentials.

Referring to the policies of U.S. President Ronald Reagan, he said that his country rejects any kind of interference by the United States or any other nation. He noted that in the past few years relations between the United States and Grenada have deteriorated.

On another subject, Jacobs said that he will hold talks with officials of the Secretariat (ministry) of Communications and Transport (SCT) of Mexico to sign an agreement by which the SCT will provide technical assistance to the island's government for the construction of an international airport. Assistance was first requested from the U.S. Government but it refused, arguing that the airport would be used strictly as a military base and not for civil aviation as planned.

Lastly, Jacobs emphasized that in order to counter U.S. pressures, Grenada maintains good relations with all nations of the world as well as [as received] with those that help Grenada in developing its economy and infrastructure.

SPANISH SOCIALIST COMMENTS ON LOPEZ PORTILLO TALKS

PA021914 Madrid EFE in Spanish 2153 GMT 1 Jul 81

[By Inaki Zaragueta]

[Text] Mexico City, 1 Jul (EFE)--It appears Mexico will maintain its policy towards the countries of Central America and the Caribbean and thus will play fundamental role in the area vis-a-vis U.S. policy.

These were the impressions of Felipe Gonzalez, secretary general of the Spanish Socialist Workers' Party (PSOE), after his 40-minute meeting with Mexican President Jose Lopez Portillo this morning.

According to Gonzalez, Lopez Portillo is willing to maintain this fundamental mission so that the United States will come to understand the reality of the area and join the search for an authentic solution to its problems.

Mexico, through its president, believes that this solution is linked to the recognition of the independence and self-determination of these countries. In the words of Felipe Gonzalez, "the United States must realize that the way to help these nations is by contributing to their development and not by giving them arms." On this same subject, the Spanish socialist leader said that Lopez Portillo is hopeful about the future of the Central American and Caribbean region.

Another topic discussed during the meeting was political developments in Spain, in which the Mexican president is very much interested. The subject was thoroughly explained by Felipe Gonzalez. Gonzalez added that, in this respect, it can be affirmed that the Mexican president hopes and is convinced that despite the difficulties that are continuously cropping up, Spain's democratic process will continue and end with the total consolidation of democracy.

Felipe Gonzalez also said that Lopez Portillo explained the fundamental objectives of the North-South conference that will take place in Cancun in October, and in which Spain will not participate. Following investigations by EFE, it can be affirmed that there is no possibility that Spain will participate in that conference.

On the subject, the PSOE secretary general said that he wanted Spain to participate in the the North-South conference, "but that arrangements should have been made earlier."

Felipe Gonzalez has definitely overcome the ailment which prevented him from participating in events scheduled during his visit to Mexico. He will travel this afternoon to Panama where he will be examined by physicians from a center specializing in tropical diseases.

SPAIN, JAPAN TO CONTINUE PRESENT OIL PURCHASES

PA050138 Mexico City International Service in Spanish 0300 GMT 4 Jul 81

[Text] CEPSA [Spanish Petroleum Company] has notified Mexico that it will continue to purchase 2/3's of the oil provided for in the existing contract. CEPSA has asked for an increased portion of light crude in the shipments.

On the other hand, it was announced that Japan has accepted the $2-a-barrel increase decreed by Pemex. Not only will Japan continue to purchase Mexican oil, it has asked for an increase of 200,000 barrels a day. If this increase is granted, Japan would be importing 300,000 a day, surpassing the 198,000 barrels a day received by Spain, thus becoming the second largest purchaser of Mexican crude, following the United States, which purchases 658,000 a day.

FOREIGN MINISTER INTERVIEWED ON CANAL TREATY

PA012101 Panama City Circuito RPC Television in Spanish 2300 GMT 30 Jun 81

[Interview with Panamanian Foreign Minister Jorge Illueca by Justo Fidel Palacios, Circuito RPC Television news department director, on 30 June in Panama City--recorded]

[Text] [Question] The canal treaties implementation, the labor situation and Law 9670 have lately held the people's attention. Here we are with Foreign Minister Jorge Illueca to discuss matters related to these issues.

Dr Illueca, what were the main issues discussed yesterday at the consultative council meeting for matters related to the treaty?

[Answer] The consultative council met yesterday afternoon at the Presidency to discuss four issues. An analysis was made of the procedure that is being followed to make the amendments to Law 9670, the so-called Murphy Law. Regarding the labor situation, a series of issues were examined, which are not only of interest to the workers and unions operating at the Panama Canal, but also concern the country's economy in general.

Among these issues, there is one at the top of the list, a problem we consider to be very serious and which concerns the implementation of a new wage scale for the Panama area. The Panamanian Government, especially the Panamanian members of the board of directors, have been insisting on the abolishment of this wage scale. The wage scale represents a very severe punishment to Panama's economy. By establishing a new wage scale for Panamanians hired locally, this scale becomes an area of conflict. It could have been solved and, as a matter of fact, was solved in the letter in the 1977 treaties; however, because of the Murphy Law--Law 9670--the whole system, the entire structure of the treaties, has been upset.

The new wage scale represents a wage reduction of 17 or 25 percent, more or less. At this moment, 1,200 workers are affected by this. They are receiving a reduced wage scale which differs from the one that existed before the treaties went into effect, and differs from the wage scale of U.S. citizens working in the canal, or those hired in the United States.

In order for the country to understand the seriousness of this situation, it is estimated that during a 20-year period, the loss to the nation's economy would be $4 billion.

I repeat: At this moment 1,200 workers are affected by the new wage scale, but according to our estimates, in a 5-year period 50 percent of the canal employees would fall under that reduced wage scale known as the Panama area wage base--that is, a wage scale for the Panama area.

The Foreign Ministry, the consultative council and President Royo are aware of the seriousness of the situation and we believe that there should be a conscientious action on the part of the United States.

We want the people to understand that our government is run by responsible persons who are trying to prevent problems and who want the canal to operate efficiently, peacefully and without interruption. However, as long as the United States, the U.S. Government officials, do not realize that Panama is seriously affected by the way they are running the canal and that this is hurting Panama and could also hurt the United States, the causes of conflict are being revived.

Panamanians have accepted this with patience and serenity. We want to handle this with intelligence and with serenity, but at any moment these problems can become the cause for conflict in the canal area if, as we are warning at this moment, conciliatory, reasonable and just ways are not found to solve a situation which has no justification whatsoever.

[Question] Mr Foreign Minister, what overall strategy will the national government use to handle this situation? During the canal treaty negotiations, international forums were effectively used to stress the need for new negotiations. In the case of these violations, could we resort to that policy?

[Answer] The consultative council of the Panama Canal was created so that there would be an organization with responsible people familiar with the canal problems and the problems of our country so that they could advise the Foreign Ministry and the president, the Executive Branch, on all matters related to the functioning of the canal.

We believe that Mr William Gianelli [U.S. Army under secretary and new head of Board of Directors] is a capable, well-educated man who has, in my opinion, admirable human qualities.

He has not been allowed to act yet. We must wait for the Board of Directors to meet on 27 July, or as soon as possible. We must resort to every means of direct negotiation. We do not want confrontations. I do not think that our country, Panama, nor any country in the world can benefit from a confrontation when there are still peaceful means to solve the problems.

If these means are exhausted--and we have experienced this once before--we would really have to tighten our belts and face these problems, warning the United States, as we have, that there is not just one but a number of issues, such as the application of Title 7 on labor relations. The country must realize that neither the Foreign Ministry nor the government is taking sides with the unions or with local 900 or with the NUM [National Maritime Union]. The Foreign Ministry is supporting the permanent interests of the Panamanian Government.

Some workers believe that Title 7 of that Murphy Law is beneficial to them, but they do not understand that it places Panama within a colonial system of enforcing a foreign law, with foreign authorities who would be exercising jurisdiction here. This would be the negation of our sovereignty and the negation of the very existence of the Panamanian state.

[Question] Will this issue be discussed at the meeting of the Panama Canal Commission Board of Directors?

[Answers] These issues are going to be discussed by the Board of Directors of the Panama Canal Commission. Those that cannot be solved will be handled at the diplomatic level and will be submitted directly to U.S. Ambassador Moss to be sent to the State Department. But definitely, we must say it frankly, if the paths to a solution are closed to us, we are going to have to resort to all the tools that international law places in our hands and we will have to again make use of all the resources of psychological, social and economic pressures, until circumstances allow it--that is, if we want to have an independent country, if we want to be a nation, a republic.

I urge all Panamanians to read the treaties. I think we will have to give courses for people to become familiar with the treaties. Those treaties have solutions, but those solutions can only be effective if all Panamanians are aware of our rights and how to exercise them.

[Question] Mr Foreign Minister, we thank you for your statements to Circuito RPC Television.

ROYO COMMENTS ON CANAL PROBLEMS, PRISONERS

PA031940 Panama City CRITICA in Spanish 1 Jul 81 p 2

[Text] President Aristides Royo has told CRITICA that the five Panamanians who were found guilty in a court-martial in Colombia could soon be in Panama if either of two possible legal alternatives are implemented.

President Royo said that the first alternative is that his Colombian colleague, Julio Cesar Turbay Ayala, order a pardon or amnesty. This alternative, the president added, has already been presented to the Colombian chief of state. The other alternative is that the young Panamanians sentenced as guerrillas could return to the country if Panama and Colombia signed a prisoner exchange pact similar to the one Panama has signed with Mexico and the United States.

The Canal Problem

During the vist to Panama by William Gianelli, assistant secretary of the army for civil works, President Royo told him that the U.S. salary policy is unjust, discriminatory and in violation of the Torrijos-Carter treaties and that it will create big conflicts with the workers. Royo told Gianelli that if the U.S. Congress is cheap in dealing with the canal budget and does not assing funds for improvement work that has to be done, such an expansion of the Culebra cut, the canal will not still be operating efficiently in the year 2000.

Royo suggested to Gianelli that the U.S. Government has the means to make the improvements and to erase some charges being made for canal operations. Royo told Gianelli that Law 96-70 (the Murphy Law) is unjust and that the U.S. people must overcome the idea that they were defeated by the Torrijos-Carter treaties and begin to realize that the treaties were a victory for justice.

The University Law

The subject of the university law was also discussed by the president during the interview with CRITICA. The president believes that it is impossible to have the entire university agree with one law. There are so many groups and tendencies that it is impossible to achieve this, he said.

Royo agrees with Rector Celestino Cenci that the main aspirations of the students were satisfied with the new law. As an example of aspirations that were secured, he noted the election of the rector and the other university authorities. Royo said that the government will not try to exert any influence on the election of the new university rector. The president said: "The national government will talk with whoever is elected rector to continue with the plans to incorporate the university into the plans of national development, and the same treatment will be given to deans, university leaders and administration officials chosen within the university democracy."

Salary Increase

Regarding the new salary increase, Royo said to CRITICA that he signed the law because he thinks it is just. In my opinion, he said, private enterprise has to do two things: A) Develop mechanisms to promote good understanding with the workers and to achieve more production in the country; and B) Propose to the government ways to carry out economic plans that will benefit the country. Royo said that such proposals should be specific.

In the opinion of the Panamanian president, the situation in Nicaragua will be interesting if the United States and the Soviet Union don't commit some blunder. Royo fears that there could be an effort to play off Nicaragua as a chess piece against Poland.

MINISTER RITTER ON ILV CONTRACT, INDIANS

PA021835 Panama City MATUTINO in Spanish 2 Jul 81 p 9-A

[Text] After carefully listening to the general and particular statements of the Indians and taking note of their petitions, Government and Justice Minister Jorge Ritter made an announcement that was very pleasing to the Indians: The national government will definitely not renew the contract that allows the Summer Institute of Linguistics [ILV] to carry out activities with Indian and other groups in the country. This organization also has been rejected in other Latin American nations.

Ritter noted that the topic of the demarcation of the Indian reservation continued to have priority for his ministry but he refused to set a date for the delivery of the respective documents "because he respects the Indians very much and if he is not sure when the documents will be ready, he would rather not make a commitment."

However, the Panamanian minister expressed a profound interest in the matter and promised to make every necessary effort to have the directorate of Indian affairs issue the demarcation within a reasonable period of time.

He also told the plenum of the Indian congress that all problems brought up will be channelled to President Royo, chief of the Executive Branch, and promised that the national government would meet their demands as soon as possible.

One thing was clear during the visit to Valle del Risco, there is the presence of a foreign and evil hand in all that seeks to provoke conflict where there is a good disposition on both sides to reach an agreement.

The government agencies are making extraordinary efforts to please the Indians in their petitions and are doing much more than asked.

The Institute of Hydraulic Resources and Electrification has built schools; gives the Indians medical, technical and sanitary assistance; teaches them to improve their living conditions; carries out rescue operations; and has been assigning various officials to hold talks with the communities to explain the dimensions of the new hydroelectric project.

This effort with the rank and file has kept the project from being categorically rejected by the Indian congress.

However, there is a certain attitude, isolated, thank God, to provoke violent situations which would be deplorable for all.

The truth is that the Guaymi Indians asked for a dialogue and it is only just to give them that opportunity within a framework of mutual respect.

Their desire to talk was evident because they wanted their voice of protest, their discontent and, why not, their satisfaction to be heard in the top levels of the national government.

However, caution must be exercised with those who seek to destabilize the region by sowing confusion.

Regarding the activity of foreign elements who are misinforming the Indians, Major Herazo [not further identified] spoke at the Indian congress and asked the leaders to come to his office if they had any doubts because they will find the truth there.

Herazo said that "if we truly love the Guaymi Indians we must respect them. One way to respect them is by telling them the truth...."

BELIZE

ANGLO-GUATEMALAN TALKS ON BELIZE TO CONTINUE

Prime Minister Price Leaves

PA030435 Panama City ACAN in Spanish 2202 GMT 2 Jul 81

[Text] Belize, 2 Jul (ACAN-EFE)--Belizean Prime Minister George Price left today for New York where he will meet with Nicholas Ridley, British minister of state of the Foreign and Commonwealth Office. Anglo-Guatemalan negotiations on the future of Belize had been announced for this coming Monday, 6 July, in New York or in London.

Newspaper reports reaching this capital indicate that the British House of Commons yesterday approved a bill which will authorize the Foreign and Commonwealth Office to prepare for the independence of Belize. The bill must be ratified by the House of Lords.

Belize to Follow UN Process

PA031450 Panama City ACAN in Spanish 1656 GMT 2 Jul 81

[Excerpts] Belmopan, 2 Jul (ACAN-EFE)--Belize will follow the independence process designed by the United Nations, even if no agreement is reached with Guatemala and the United Kingdom, a government spokesman said in Belize's capital today.

Belize Prime Minister George Price has said that the bases established in London are not the final agreement and that the independence process will continue inexorably the course outlined by the United Nations, even if the bases established in London do not result in an agreement between Guatemala and Great Britain. The Guatemalan Government, which has been claiming the British colony as its own for more than 1 century, said yesterday that it considers Belize's independence "illegitimate" unless an agreement is reached with the United Kingdom and if Price insists on following the UN directives at any cost.

Price's government has laconically announced the forthcoming release of a "very important communique" on the present state of the independence negotiations on Belize, stressing the UN resolutions without rejecting the bases established in London as a possible alternative.

COSTA RICA

NIEHAUS PRAISES UPCOMING MINI-MARSHALL PLAN

PA012030 San Jose Radio Reloj in Spanish 1730 GMT 1 Jul 81

[Text] The meeting of foreign ministers of the United States, Canada, Mexico and Venezuela is a very positive step aimed at obtaining aid to solve the economic problems of the Central American and Caribbean countries, Foreign Minister Bernd Niehaus commented.

FRG Chancellor Helmut Schmidt has suggested a mini-Marshall plan, primarily in order to solve Central America's and the Caribbean's economic and financial problems, Niehaus added.

ASSEMBLY PASSES MOTION ON EDEN PASTORA REMARK

PA020257 San Jose Radio Reloj in Spanish 0100 GMT 2 Jul 81

[Text] After many weeks of debate due to the opposition of the United People's Coalition, the Legislative Assembly approved a motion asking the Nicaraguan Government for explanations of recent statements by Commander Eden Pastora, who has said that many Costa Rican legislators were financed by the Somoza family.

The motion was submitted by Deputy Federico Villalobos of the Unity Coalition, and it asks the Costa Rican Foreign Ministry to take charge of the legislature's request regarding Pastora's remark.

PLOT AGAINST PRESIDENTIAL CANDIDATE CONFIRMED

PA060156 San Jose Radio Reloj in Spanish 1330 GMT 5 Jul 81

[Text] The police have confirmed that an attempt was made on the life of Luis Alberto Monge, National Liberation Party presidential candidate. The attempt took place late yesterday afternoon while Mongue, presidential candidate of the political party with the largest popular support, was on his way to the Latin American Studies Center [CEDAL], 40 km north of San Jose, in Heredia province.

According to official reports which the police keep strictly confidential, a man has been arrested for questioning in relation to an alleged plot to kidnap Luis Alberto Monge.

Apparently Monge was not hurt, but reports are still not clear. However, everything seems to indicate that Monge was attacked by a man while he was travelling in his car to the CEDAL. At the time of the incident, Monge was with his 15-year-old daughter and two aides. No one was injured.

CARAZO ASKS UNITED STATES TO LIFT TUNA EMBARGO

PA012045 San Jose Radio Reloj in Spanish 1730 GMT 1 Jul 81

[Text] In a letter sent this morning, President Rodrigo Carazo asks U.S. President Ronald Reagan to lift the tuna embargo currently affecting the Costa Rican tuna industry and preventing access to the U.S. market.

As free and democratic societies, both your country and mine abide by different and, regarding certain points, conflicting laws on fishing rights, President Carazo says in his letter. However, the implementation of our laws on this matter have led to reprisals by your country, as it is empowered to do under its own laws, President Carazo adds.

Further on in his letter, President Carazo tells President Reagan that it is possible to resolve our differences satisfactorily, without continuing with this unilateral interruption of our nations' trade, as is the case of Costa Rica in connection with tuna.

I think, President Carazo adds, that if dialogue is the strongest tool of a democratic society and if both of us resort to it for all our international affairs, we should ascribe it the same value when discussing our international differences.

President Carazo reiterates to President Reagan that just as he was told recently in connection with the coffee prices, our countries are going through a crisis. We are living in an area of great conflict and, within a very short period of time we have been forced to accept the serious deterioration of the terms of trade for our products, President Carazo adds.

Costa Rica's domestic difficulties and the violence in the area surrounding us geographically confirms, nonetheless, our belief that not only our best chances for success but also the response which the entire area is apparently seeking so painfully lie with a free and democratic path, President Carazo says elsewhere.

In conclusion, President Carazo tells the U.S. President that in order for all this to be possible, and encouraged by the prospect of a special cooperation program for the sub-region, which today seems viable, I wish to urge you to put an end to the tuna embargo. In this manner we will be able to discuss our differences without unnecessary pressures, which only move us farther away from understandings aimed at progress.

CARAZO URGES COMMON FRONT TO DEFEND COFFEE PRICE

PA030438 San Jose Radio Reloj in Spanish 0100 GMT 3 Jul 81

[Text] President Rodrigo Carazo today issued a new dramatic appeal to several South American presidents to defend the prices of products, particularly coffee.

Carazo said that the constant and abrupt drop in the international prices of coffee confirms that a few hours of activity at a commodity exchange in London or New York can wipe out years of effort and sacrifice by our countries to improve their economic and social prospects.

The efforts to change this situation through attempts to establish a new international economic order, or appeals to UNCTAD [United Nations Conference on Trade and Development] and the North-South dialogue, and countless bilateral initiatives are increasingly useless. Meanwhile, the devastating effects of the price fluctuations of our main products continue and intensify due to a financial control that is increasingly more centralized in the countries of the north, President Carazo added.

The president said in his letter to the Brazilian and Colombian presidents that if we want to be successful in our efforts to make the trade relations between the countries of the north and the south more just, it is essential that we intensify the North-South dialogue. Only if we adopt joint positions in the defense of prices and the stability of our products can we have hope for positive changes, the president added. The president reiterated the need to form a common front for the defense of coffee production.

EL SALVADOR

RUMORS EXIST IN U.S. OF JUNTA RESIGNATIONS

PA030340 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 81

[Text] Washington--There is talk in the U.S. capital about the possible resignation of President Duarte, junta member Morales Ehrlich and Foreign Minister Chavez Mena. It has been learned that there are rumors circulating in the State Department about upcoming changes in the Salvadoran Government. According to these rumors, it is possible that Foreign Minister Fidel Chavez Mena and junta member Jose Antonio Morales Ehrlich may tender their resignations.

U.S. reporters from various media received information here that Napoleon Duarte himself is considering his resignation. These same newsmen indicated that the U.S. Government may be considering giving its full support to the junta's military sector and eventually withdrawing its support from the Christian Democratic members of the present Salvadoran junta.

Seige, Duarte on Rumors

PA042106 Paris AFP in Spanish 1835 GMT 4 Jul 81

[Text] San Salvador, 4 Jul (AFP)--Official sources announced here today that the state of siege has been extended for another 30 days throughout El Salvador "because the circumstances that provoked the suspension of constitutional guarantees still exist."

Last night in the capital there were persistent rumors about the possible fall of the government of President Jose Napoleon Duarte. This caused concern among political and journalistic sectors but the rumors were denied today by the president himself.

Referring to rumors about a coup d'etat, Duarte said today that his government "is solid and becomes stronger daily." He added that "all those rumors and false reports are part of a misinformation campaign sponsored by the extreme right."

Duarte said the campaign is planned in line with what he characterized as "the final offensive of the right which is continually providing situations that could destabilize the regime so that they can seize power and push for a return to the past."

Meanwhile, the Office of the Secretary of Information of the President of the Republic, in announcing today the extension of the state of siege, explained that the constitutional guarantees affected by this decision have to do with freedom of transit, freedom of expression and the privacy of mail.

The state of siege, therefore, has entered its 16th month. It was imposed on 6 March 1980, the same day that land was expropriated for the first time to implement the now partially suspended agrarian reform process being promoted here by the Government junta.

In Soyapango, it was reported that a bank and several businesses of that city in the outskirts of San Salvador have been destroyed. According to reports, several persons last night placed a bomb which caused serious property damage but no casualties. So far, no organization has claimed credit for the bomb explosion.

Judges continue with what has become a routine action, examining bodies. They have examined nine bodies, two of them in the military hospital. These two were soldiers. Another two bodies were examined in Rosales Hospital, the most important of the country. These two were young persons who were shot to death by unidentified persons.

The other bodies were found in various parts of the capital. All of them had been shot to death. Many of the bodies have not been identified, as often occurs in this country where an average of 25 bodies are found daily.

U.S. SENATOR VISITS TO CONFIRM GOVERNMENT CHANGES

PA031255 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 81

[Text] San Jose, 29 Jun--One of the most influential senators in the U.S. Congress, Democrat Stephen Solarz, arrived in El Salvador sometime during the past 48 hours, reportedly to gather evidence on the possible dismissal of prominent Christian Democrats from that country's government. Senator Solarz, who has opposed the growing U.S. military aid to the Salvadoran regime, traveled on his own account, according to U.S. Embassy sources in San Salvador who refused to comment on the visit.

'U.S. CITIZEN' DENOUNCES AID TO SALVADORAN JUNTA

PA031645 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 81

[Text] The following is a letter sent to us by a U.S. citizen who supports our just struggle: Open letter to the U.S. Congress and people.

No more than a decade has elapsed since the U.S. Congress and people witnessed the Vietnam tragedy, yet once again our country has begun repeating the same errors of international diplomacy, the same foreign policy mistakes and the same disruptions of our tradition of morality and humanitarianism in order to involve another small nation in the horrors of war. The country in question today is El Salvador. This time it is not a matter of some obscure nation in another hemisphere. Instead, the nation in question is part of our hemisphere. Unfortunately, although both the U.S. Congress and people should have learned the lessons of the Vietnam war, a similar cycle of intervention and military escalation is currently taking place in El Salvador.

As witness to the tragic results of our increasing military aid for the Salvadoran junta, I would like to stress the loss of U.S. prestige in the eyes of the victims of this intervention when American napalm bombs destroy the homes of these people, killing their children and forcing the survivors to become refugees in their own country. Joy and gratitude have a limit, but not cries and tears. If the Salvadoran people could communicate directly with our Congress and our people, they would do so, but they are at war and their repressive government does not allow the free exchange of information. One after the other, the most elcquent representatives of this people, courageous leaders such as Msgr Oscar Arnulfo Romero, have been assassinated by the Christian Democratic government. They must wonder why you exchange the friendship of an entire nation for that of the handful of wealthy Salvadorans who live in Miami.

I do not write to you only as a witness of the suffering and agony of this nation, but as a U.S. citizen who is working and struggling beside this people against the dictatorship and against the U.S. advisers. The Salvadoran people demand their freedom; they want peace; they want to be allowed to achieve this by themselves. You, the U.S. Congress and people, are not giving them this chance. Nonetheless, in spite of the blood shed by the 20,000 dead since October 1979, in spite of the irresponsibility exhibited in this new instance of vicious usurpation of the Salvadoran people's right to live in peace and because neither their courage, nor their will to resist, nor their determination to survive has been dispelled, the Salvadoran people do not feel betrayed by the U.S. people. Still, I do feel that if our government continues promoting the war in El Salvador, it will be betraying the U.S. people. It is time for the U.S. Congress to rise once again against the new president to put an end to the military aid and the intervention in El Salvador. Once again, the U.S. people must learn about the atrocities of war, this time in El Salvador, and they should ask our government to stop participating in this tragic conflict which intensifies every day.

EUROPEAN PARLIAMENTARIANS CONFIRM STATE CRIMES

PA031605 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 81

[Text] European parliamentarians who recently visited our country confirmed the existence of state terrorism against the civilian population in El Salvador and declared that elections are not an alternative to solving the nation's problems. After their visit to this country, the delegation of European parliamentarians returned to Mexico, where they supplied information to the national and international press.

A dispatch published on 30 June by the Mexican daily UNO MAS UNO reads as follows:

A European parliamentary delegation recently visited El Salvador to investigate the political situation and violation of human rights. The European visitors met with the Salvadoran defense minister, to whom they expressed concern over the repression and terrorism unleashed against the civilian population.

The European parliament will make every effort to discourage the United States from sending any more military aid to the Christian Democratic military junta.

Parliamentarian Heidemarie Wiczorek-Seul said that elections are neither an alternative to solve that nation's problems nor can they be considered a political way out of the crisis affecting the country. [Words indistinct] lean toward a political solution incorporating the democratic revolutionary front, FDR, as the only alternative to the serious crisis affecting El Salvador.

The European delegation interviewed several political prisoners and the Committee of Mothers of Political Prisoners and Missing Persons of El Salvador, which provoked junta member Jose Napoleon Duarte to say the parliamentarians were biased.

RADIO VENCEREMOS GIVES POST OFFICE BOX NUMBER

PA040415 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 4 Jul 81

[Text] Here is our post office box number for our contest of songs and poems on El Salvador. Send your poems and cassettes to the following Radio Venceremos post office box: No 7-907, Mexico Distrito Federal.

UNIONS REFUSE TO MEET WITH DUARTE, MAKE DEMANDS

PA030119 San Salvador EL MUNDO in Spanish 1 Jul 81 p 9

[Paid advertisement]

[Excerpts] San Salvador, 15 June 1981

Mr Secretary General of the Salvadoran Single Trade Union Federation [Federation Unitaria Sindical de El Salvador--FUSS]:

In line with what was decided in a meeting held on 3 June, I respectfully invite you to attend, along with three members of the board of directors of the FUSS, a meeting on the agrarian reform process with the president of the revolutionary government junta and the president of the Salvadoran Institute of Agrarian Transformation to be held at the meeting room of the Presidential House at 0900 on Saturday, 20 June. I would appreciate your punctual assistance.

Miguel Alejandro Gallejos, under secretary of labor and social welfare.

Here is the reply of the FUSS; the Salvadoran Trade Union Federation of Workers of the food, Garment, Textile and Related Industries; the Revolutionary Trade Union Federation; and the Salvadoran Workers National Union Federation to the invitation of Jose Napoleon Duarte.

The undersigned federations reserve the right not to participate in the meeting. We emphatically state that we don't lend ourselves to anything that seeks to hide what is really happening to the peasants, working class and the people in general.

We don't think we have anything to discuss with a government that while speaking of agrarian reform, places the country's sovereignty in the hands of Yankee imperialism, the sworn enemy of peoples, which is currently intervening here and imposing a system of domination contrary to the interests of the Salvadoran people.

Behind this invitation to participate in the meeting on agrarian reform is the attempt to make national and international public opinion believe that the Salvadoran working class supports the government in the reforms that it is trying to implement. Those reforms have so far not brought any benefit to the people even though official propaganda syas the opposite.

In light of this situation, the intervention of Yankee imperialism in our country's domestic affairs, the increasing cost of living, mass unemployemnt and in view of the fact that the government has no serious or sensible intention to favorably solve the problems of the people, the federations that we represent emphatically refuse to participate in events of this nature.

We take advantage of this opportunity to once again demand: the release of political and union prisoners; the abrogation of the martial law decree; the abrogation of the state of siege decree; the reopening of the news media for the organizations that represent the Salvadoran people, noninterference in domestic affairs by U.S. imperialism, and the abrogation of Decree No 544.

[Signed] The boards of directors of the federations, San Salvador 30 Jun 1981

GUATEMALA

EGP ASSUMES RESPONSIBILITY FOR AIRPORT BOMB

PA022208 Paris AFP in Spanish 1955 GMT 2 Jul 81

[Text] Guatemala City, 2 Jul (AFP)--The extreme left People's Guerrilla Army (EGP), assumed responsibility today for placing a bomb in one of the pieces of luggage that was to have been loaded onto a U.S. Eastern Airlines plane. The bomb exploded before being loaded, killing one of the airport employees.

A 30-minute delay in the flight Wednesday afternoon saved the lives of 100 passengers flying to Miami, including Vinicio Cerezo, secretary general of the Guatemalan Christian Democracy.

In a communique sent to the press and international news agencies, the EGP said that the frustrated attack was "an act of sabotage against Eastern Airlines in reprisal for the support this airline gave to President Lucas Garcia's regime." It was initially believed that the operation, which cost the life of a baggage carrier at the international airport, was planned to kill the Guatemalan Christian Democratic secretary general who was to board this flight.

According to civil aeronautics officials, if the aircraft had taken off on schedule, it would have exploded over the Gulf of Mexico.

In its communique, the EGP criticized the sale of U.S. weapons to Guatemala. "U.S. concerns which become accomplices in the aggressions against our country by selling weapons will suffer reprisals in the defense of our most cherished rights. These will be applied by the Guatemalan people in arms," the EGP note threatened.

The EGP is one of the most active guerrilla organizations in the country. In the past, it has assumed responsibility for attacks on the installations of transnationals, especially petroleum companies operating in Guatemala.

ORPA SAYS U.S. USING ISRAEL TO SUPPLY WEAPONS

PA050112 Havana International Service in Spanish 1600 GMT 4 Jul 81

[Text] The Armed Peoples Revolutionary Organization, ORPA, has revealed that the United States is using Israel to supply the Guatemalan regime with weapons and other military supplies.

In a communique issued on this, ORPA says that after the alleged withdrawal of U.S. military aid 4 years ago, the Israeli regime became the main provider of military equipment for the dictatorship of Romeo Lucas Garcia. Regarding this, ORPA says that Zionist ships loaded with war planes, heavy and light artillery, rifles, ammunition and military telecommunications equipment are constantly arriving at Santo Tomas de Castilla port. ORPA says that Israel also gives advice on counterinsurgency and psychological warfare.

Meanwhile, representatives of approximately 800 Guatemalan peasant families charged in Mexico City that this small Central American country is experiencing one of the worst political crises in its history and that since 1954 the oligarchy and the despotic governments have killed more than 80,000 people. They also charged that army soldiers and members of the paramilitary gangs are persecuting, torturing and killing any person whom they suspect of helping the guerrillas.

For its part, POR ESTO, a Mexican magazine, stressed that the U.S. Government is determined to intervene in Guatemala militarily if the head of the regime, Romeo Lucas Garcia, is incapable of crushing the guerrilla movement.

HONDURAS

NICARAGUAN REFUGEES TO BE MOVED FROM BORDER AREA

PA022217 Tegucigalpa Radio America in Spanish 1520 GMT 1 Jul 81

[Distributed by Inter-Central American Radio Organization]

[Text] It was officially announced yesterday that the Nicaraguan refugees will be transferred to the interior of Honduras in order to eliminate friction with the Sandinist regime. Government and justice secretary Oscar Mejia Arellano, who is chairman of the National Commission on Refugees, made the announcement after meeting with an international aid organization and members of the ministerial commission in charge of these affairs.

The relocation of the refugees will begin in the next few hours, leaving the border area where most problems have occurred free of refugees.

Analyzing the problems of refugees, including thousands of Salvadorans, Mejia Arellano said that the situation of these people is acceptable and that international organizations are cooperating directly to help them.

BUS DRIVERS END STRIKE, SERVICE RESTORED 2 JULY

PA031730 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 3 Jul 81

[Communique issued by the Secretariat of Communications, Public Works and Transport on 3 July]

[Excerpt] Normal urban mass transport service was restored at 1630 on 2 July in the cities of Tegucigalpa and Comayaguela after being arbitrarily suspended by the transport companies. For this reason, preparations to begin special government and armed forces urban transport service have been temporarily suspended.

Since mass transport is being normalized, the Secretariat of Communications, Public Works and Transport will today resume talks with urban transport representatives of this central district, without permitting pressures which would affect the public.

Fare Hike, Fuel Prices Set

PA050019 Buenos Aires LATIN in Spanish 2153 GMT 3 Jul 81

[Text] Tegucigalpa, 3 Jul (LATIN-REUTER)--Urban busdrivers today ended their strike after the government agreed to increase tariffs 33 percent, increasing them to 10 cents [currency not specified].

The new tariff becomes effective on 11 July.

Meanwhile, the government today advised the Texaco oil refinery of its decision to freeze the price of fuel during 1981, an official spokesman stated.

The executive officials of the refinery did not react to the announcement and "have promised that they will maintain the fuel market supply during the present month," Efrain Murillo, executive secretary of the Higher Council of Economic Planning has announced.

The prices of fuels in Honduras go from $2.07 per gallon (4.1 liters) to $1.21 per gallon.

NICARAGUA

FORUM CONTINUES ON AFTERNOON OF 27 JUNE

PA292304 Managua Radio Sandino in Spanish 2031 GMT 27 Jun 81

[Discussion at the forum on national problems by government delegates Commander of the Revolution Carlos Nunez, corrdinator of the government delegation, Nathan Sevilla of the Sandinist National Liberation Front, FSLN, Gustavo Tablada and Adolfo Evertz of the Socialist Party, government alternate delegates Alejandro Gutierrez of the Peoples Action Movement, Eli Altamirano and Edgard Macias of the Communist Party, and Ulises Somarriba, Carlos Garcia Caracas, Eduardo Coronado and Flavio Obregon; opposition delegates Donald Castillo of the Nicaraguan Workers Federation, coordinator, Alvaro Jerez of the Nicaraguan Democratic Movement, Adan Fletes, chairman of the Social Christian Party, and alternate delegates Jose Davila of the Social Christian Party, Roberto Urros of the Nicaraguan Democratic Movement, Ramiro Sacasa Guerrero of the Constitutionalist Liberal Movement, and Rodrigo Solorzano of the Social Democratic Party, with moderator Julian Corrales--broadcast in progress; live]

[Excerpts] [Solorzano] ...the distortions and the half truths because they also weaken or deny the climate that must prevail in the dialogue. These attempts at weakening the forum, whatever their origin, must be repudiated and neutralized. They can be neutralized through a clear explanation to each side of what is really the goal of this dialogue. I am referring to Commander Nunez' statements regarding the need to control personal negative views concerning the country's situation. I tell him that we do not control anybody but do influence some. Perhaps we do not influence Fagoth [opposition Indian leader Steadman Fagoth] or the Chicano Cardenal [not further identified], but we do influence some others who are not too happy about this dialogue as long as their persons and properties are being attacked. However, they continue to contribute to the improvement of our country's situation.

The FSLN, which is characterized by a high degree of internal discipline, can control its rank and file who, on occasion, have carried out actions which contravene the orders of the top FSLN leadership. I am speaking of the popular actions and rage which violate what was established in the government program concerning the Nicaraguan people's right to assemble and participate in political activities.

I will not discuss what has already been said in previous presentations. Some of the people who spoke before me mentioned very broad political topics. We must admit that there are difficulties in defining broad topics which are listed in the preamble of the document that was signed today. In other words, we admit the difficulties we have in defining broad topics. In this document we have tried to state, in a very broad sense, the points of concurrence. We have clearly stated that the exact definition of these concurrences will be made in subsequent meetings of this forum. In these meetings, we will all defend our ideas in a climate of respect and without polemics. Let us try then to focus on the specific problem, whether it is political, economic or social. The political issues have already been mentioned. I am referring to the document that was signed today. Point 10 in it discussed Somozism, point 11 talked about U.S. imperialism and point 14 talked about the counterrevolution.

In addition to these political issues, we should discuss the depletion of capital—a topic that is much discussed in Nicaragua and is creating great concern at all levels. Let us talk about the causes for a drop in farm production. Let us talk about the scarcity of foreign exchange. But I am getting ahead, we are discussing political topics today. We are looking for definitions to [word indistinct]. What is imperialism? What is communism? Who is to blame for what is happening in Nicaragua and Central America? However, if we see that we are not reaching useful conclusions, then let us approach areas in which we have been successful, areas in which we reached ample agreement and which will be defined to the extent that all Nicaraguans, represented by the delegates present here, express their opinions on them and reach the agreements that will be implemented. Let us talk then about the goal of this forum. Let us not define broad topics but discuss specific problems. Let us honor the name of this forum which brought us here today: the forum for the discussion of national problems.

[Sevilla] Because the forces of the revolution have a true interest in having our people understand the correct viewpoints concerning the main problems which affect our country's life, we have to explain certain positions expressed in several presentations of the other delegation regarding the arms race, foreign policy, polarization and imperialism, because there are ideas floating in the air which , although expressed with good intentions, represent a weak political way of thinking which permits enemy sectors to easily take advantage of it. We are not trying to question the intentions of the other delegation but to explain these viewpoints. For example, when we talk about the arms race, we must realize that there is an arms race at the world level promoted by Yankee imperialism and that this leads other countries that are able to participate in the struggle for the best weapons to arm themselves and to build up their arsenals.

We are asking the other delegation to be realistic and practical and to recognize it is a matter of principle that our people have the right to defend themselves and to receive the aid of friendly countries to face our main enemy, the foreign threat, which we have been analyzing. However, in addition, Reagan and his advisers have always tried to point out that Nicaragua represents a threat in the Central American area. Therefore, it would be completely irresponsible for any political organization in this country to agree with this theory of the Reagan administration. Nicaragua has always demonstrated extreme caution in its foreign policy in order to show the world that it is a factor of peace and stability in the region. The aggression and instability in the region is being promoted by Yankee imperialism by arming antipopular regimes such as Guatemala and El Salvador.

[Sevilla] The factors of uncertainty at home have not only stemmed from those elements which left with Somozism but also from those which have continued to leave after the victory because they have not understood the changes that the revolution has been carrying out in response to the people's aspirations. The parties cannot be influenced by the selfish feelings or interests of these elements which don't understand the revolutionary process.

We don't understand why there is talk about a lack of definition. The Nicaraguan revolutionary process has been well defined right from the beginning. Our people have fought and abolished the Somozist dictatorship through force and reason and they are building a new society. The character of the revolution has been well defined. This has been made clear in the points of concurrence. The revolution is democratic, pluralistic, anti-imperialist and popular, that is the essential definition of the revolution.

We are also concerned by the fact that the statements of the other delegation subtly mention the internal problems and the lack of understanding among the political parties and organizations as if to explain that this could encourage the elements which are out of the country, the Somozists, to carry out their counterrevolutionary actions. Each time you mention this--let us say you are doing so ingenously--you are creating propaganda for those actions. So I ask you to stop using the members of the news media, which are here at the service of our people to clarify the fundamental problems, to indicate that the domestic problems and the lack of agreement among the ideas of the political parties encourage counterrevolutionary actions. None of those counterrevolutionary actions can be encouraged or fostered by the lack of understanding among the political organizations. This is a question of principles. To finish, we would like you to publicly agree that none of the domestic disagreements or problems in this country can be viewed as a factor that encourages counterrevolutionary actions. In the concurrences that we have signed we have categorically established that no counterrevolutionary action can be caused or justified by the domestic problems. We must commit ourselves to fight them to the end.

[Urros] I think we should try to find some concurrences within the proposal made by Alvaro Jerez and based on the statements of both delegations. I would also like to point out a few things that could help achieve some clarifications in the search for those concurrences. For example, Edgard Macias said that the basic cause of the situation of foreign aggression is U.S. imperialism. We think that U.S. imperialism is one of the causes of the situation. We would like you to understand that there are some internal situations that are also causes and that they promote those foreign aggressions.

When Macias and Sevilla referred to the arms buildup, it is not that we don't think there should be an army to defend our national sovereignty and the revolutionary achievements. Instead, what we wanted to say is that there is a military growth that is not in proportion to the Nicaraguan population and to our economic capacity. This affects the people's pockets. We must think about how far the military sector will grow. It is not that we oppose the existence of any army to defend sovereignty.

We must also point out that our best weapon to counteract the foreign attacks is unity. I clearly see that this unity is being forged in this national forum. If we find points of concurrence that truly solve the national problems, then we are creating the best, greatest and most indestructible weapon against those foreign attacks. That is why it is important that we maintain this atmosphere of a prudent and dignified dialogue and that we truly try to find the solutions to our national problems. In this way, we will be able to counteract the foreign attacks and all the Nicaraguan family will be united.

[Nunez] When we insist on clarifying a number of points it is so that our tasks will be coherent and so that the efforts carried out for many months to achieve national unity, which was decisive for victory, will at least have some criteria that will guide the activity of the various social forces. When we insist on the need for the country's defense, it is not because we want to develop a militarism, as some people have said.

We think that we must essentially consider that the international factors include those forces that, encouraged by warmongering sectors, are trying to overthrow the Nicaraguan revolution. We must realistically analyze from where these warmongering attitudes are coming. A revolution or a political organization can find where the warmongering positions are located as a result of specific actions. They can be located in the territories from where these actions come. Everyone knows that the guardsmen abound in Central America, that they train in Miami and are being financed.

We reiterate the need to reach agreement on points 1, 3 and 5 of our statement and on what Companero Jerez was referring to. He was speaking about disarmament in the area and an adequate defense on our part in the international organizations. We think that in any case suggestions and recommendations can be made in this forum to the proper institutions involved in this subject such as, for example, the Government of National Reconstruction junta. The recommendation would be to present a proposal for peace among the Central American countries based on their own needs and problems in order to guarantee peace in the area without the interference of any foreign force. This force comes into Central America not only to promote an arms buildup, but in some way to seek a number of economic and social reforms. However, due to the military character of these regimes, the reforms are a failure. That is why you see the struggle of the peoples trying to shake off those regimes.

Also within the proposal made by Companero Jerez, we need to view as a means of defense of our country, the noninterference of foreign forces so that our people can consolidate and enjoy peace. Political, economic and social stability should be viewed as the achievement and defense of that peace.

I recommend that during these discussions, the statements center on these proposals so that we can note the different points of concurrence much quicker.

[Fletes] The subject of the arms buildup has been mentioned in the course of our discussions and I would like to note what primarily concerns us here. We have undoubtedly learned from press and radio reports that the weapons that we have in Nicaragua are donated. This brings up something important that has to be taken into account. These weapons require maintenance and people to do this, and this means costs.

As pressures of this kind on the budget increase, we have to choose between foreign indebtedness, which is certainly a bad way to go, or to increase the people's taxes in order to finance a growing budget, which is also bad.

Therefore, when we worry about the existence of a greater number of weapons, it is because it is better for a country to devote more of its budget toward social expenses, such as health, housing and education, than toward weapons.

We see this same trend in the rest of Central America. The people are the ones who are most harmed by the arms race in Central America and all the countries are faced with this problem.

Because of the social cost of the arms race, the cost of maintaining weapons, we seek and advocate a rational disarmament policy. Therefore, we feel it is necessary for this forum to discuss this topic of disarmament in an effort to correct this trend or at least to exert influence to reduce the causes of the arms race in Central America. There must first be an attempt to curb the existing arms buildup and to later begin a gradual process of disarmament throughout Central America by reducing the number of weapons and their destructive power. We feel that by so doing, we would be doing a service not only to the Nicaraguan people, but to all the Central American peoples.

[Gutierrez] I think it is important to note that suddenly a case is being made for the disarmament of the Nicaraguan revolution, of Nicaragua, but there is no call for the disarmament of governments that are really committing acts of barbarity against the people, such as the Christian Democratic junta, which is borrowing millions of dollars and even receiving donations from the United States to kill Salvadoran patriots. When we speak of this, there may be those who say that the fault there lies with the guerrillas who are fighting for freedom and that, therefore, it is necessary to justify and support the arms buildup of the Christian Democratic junta.

Therefore, one must try to be coherent. We must speak to the people frankly and truthfully to prevent confusion that could well be avoided.

I would like to comment on certain phrases being used by the other sector. Someone said that there are sectors abroad, the armed gangs in Honduras, and that although it is true that they are not encouraged by the dissidents, as the regulations call them, the fact is that they are there. Thus, it is appropriate to ask: What are we going to do? What does the honorable delegation of the dissident sector suggest that we do? That we stop carrying out the revolution so that those gangs will stop taking advantage of the development of the Nicaraguan revolutionary process? That we dismantle the revolutionary process?

I think that there is one thing that has to be done if one has any sort of patriotic feeling in this country. We must unconditionally and unrestrictedly condemn those gangs, and at no time must we relate their activities to the country's internal political problems, and we must clearly declare that there is no possibility of legitimizing their actions under the pretext of internal problems within our country. This would basically be the patriotic attitude.

The problem of the arms buildup is also being presented in an unrealistic way, as if the need to obtain certain weapons to arm the Sandinist People's Militias has the same importance and the same meaning as the needs of the Salvadoran, Honduran or Guatemalan Armies. I believe it is necessary to make clear distinctions here. The basic and principal reason that obliges the people who have staged a revolution to be armed is the danger of imperialist aggression and the counterrevolutionary activities of the groups that are in those other countries. This is the determining cause. Moreover, I wish to point out that revolutionary processes--that is, the forces that act in revolutions: the working class, the sectors that are most loyal to the development of the revolutionary process--often intend to establish fully democratic regimes at the service of the workers, to build a government that truly conforms to an advanced concept of history, but that the pressures of imperialism and its acts of aggression often force the revolutionary process to make huge investments of money, and to limit certain opportunities for the peaceful development and construction of the revolutionary processes.

In conclusion I want to point out one thing: The proposal presented by Companero Nunez on behalf of the delegation is clear. I would recommend that some basic opinions be expressed in order to begin a specific debate. For example, the first proposal says that no internal situation, however difficult or complex, justifies political or diplomatic pressures and much less imperialist aggression. Then it says each people have their own cause, based on their historic conditions. The victory of that cause permits them to create their own regime with their own instruments. If the people must arm themselves to defend the revolution from the attack of the counterrevolution, they have a legitimate right to do so.

Another point that I want to make is that the revolution's problems, limitations, continuity and development are matters for the Nicaraguans and they must resolve them. These are minimum and basic points. We are not asking that we reach agreement on how we are going to carry out the revolution, but regardless of what the course of the revolution is, what we want is that this country not be invaded, that imperialism not bomb, blockade or subjugate us, that it not repeat the instances of genocide that its forces or the forces at its service have committed against the Nicaraguan people. This is a basic and essential point that can give a very specific course to this discussion. In the proposal that we have presented we are not asking for a widespread agreement on the problems of this country but that at least patriotic positions be adopted in rejection of the imperialist aggression. U.S. imperialism is the main threat. Those attempts to point to the USSR only lead to contradictions. Perhaps everyone in our delegation doesn't have the same opinion of the Soviet program but they do have a basic view: The main threat against this revolution is U.S. imperialism.

[Jerez] We must view the subject of the arms buildup objectively and not subjectively. This subject should not be manipulated here by saying that we want all the weapons to be suddenly buried or thrown into the sea and that we want to be left like defenseless children here. That is not what we want. We do want this to be done in a rational way and we want to set the example. Through a rational and logical progress, we can be an example and the leaders of a disarmament in the Central American region.

We also spoke of internal causes of aggression such as the lack of security. It is logical that there be political, social and economic uncertainty. This forum is precisely to overcome all these big problems that we are facing. If we don't face the reality of the situation in Nicaragua, we will be like ostriches, trying to bury our heads and leave the rest of the body outside. We place ourselves in much more precarious positions if we don't recognize the errors that we are committing. Therefore, let us begin on this basis.

Do we or don't we have an adequate foreign policy? Is it true that we have an inadequate foreign policy? Well, let us try to analyze this critically and take the measures that will truly help the process to recover the image that has been lost in the past 2 years. It has been a real loss.

In short, there are a number of points that we must consider. We have to be realists in discussing them. I think that in the points presented by Commander Nunez there are some aspects that must be taken into account but perhaps they are an effect of the causes. They are not really the causes of aggression. We agree on the need to have unity to defend the country and the revolution but what he points out are not really the deep causes. They make us unite for the defense of the country instead of uniting us to produce more or to live better or to make us laugh more. Therefore, we must specifically seek the causes. That is what we have wanted to point out. If we can clearly define those causes, very good. You have already pointed to some of the effects of those causes in some of your statements. However, I think it would be a mistake to lump together the causes or national unity with those concepts. We must have a deeper discussion on this in an objective and realistic way.

Therefore, I think the moderator can try to identify in the two statements or the two drafts what might be the causes that are encouraging, fostering or being used an an excuse for these constant foreign aggressions and what might be the effects that these causes are producing internally and what should national unity resolve around. In other words, this must be simplified and placed in perspective. So, I leave you with this view and I repeat that so far the discussions have been dignified and mature with some exceptions. I think this is going well.

[Macias] Basically I want to refer to the proposals on the arms buildup. Some ideas have been expressed which on the surface are correct but which have underlying subleties that must be pointed out.

We, the National Reconstruction Government, would undoubtedly like to have all possible resources to improve the health, education and the various socioeconomic aspects of the country. However, because it is surrounded by regimes that exploit their peoples and that are supported by the United States, unfortunately the Nicaraguan revolution has many enemies. They are afraid that the example of the Nicaraguan people and what we are doing will influence the domestic processes of their own people.

At this time, due to the situation that we are all aware of, the most important thing is for us to prepare ourselves for defense because the attitude of all the former national guardsmen who are brazenly training in the United States and are constantly invading the national territory and murdering Nicaraguans is truly a real threat. With regard to disarmament, some companeros proposed that we should set the example. In other words, a people who have fought a revolution to achieve better living conditions and to liberate themselves from a dictatorship is being asked to set an example while this is not being asked of other governments which are really arming. not to defend the future of their people but to continue to oppress those peoples. Why don't they demand that the example be set by the Guatemalan and Salvadoran regimes that are being armed to the teeth by the United States and that are, therefore, the ones that must be asked to stop this arms race? Why should we, who are essentially interested in achieving a new society, disarm ourselves when we know that this is what the sectors opposed to this revolution are precisely waiting for in order to destabilize this regime and to carry out their own projects which we know will not benefit the Nicaraguan people? As in the past, those projects benefit small capitalist and oligarchic sectors in Nicaragua.

[Davila] In the spirit that the moderator has just urged, I only want to summarize a thesis that we have been maintaining. In our many statements, we have recog[illegible]ed the various international factors that neither we nor you can control. Our centr[illegible] thesis is that domestically, the government has adopted some positions that do not seek a unity that will make us stronger. Throughout the debate you have tried to show that the domestic and the foreign affairs don't have anything to do with each other.

We have the recent example of Poland. Independent of ideology, the domestic affairs in Poland are what has awakened Soviet imperialism's desire to invade Poland. That is a very current example of the fact that domestic affairs are connected with foreign affairs. In this sense, we hope that everyone will admit that even in the domestic area we should make some improvements in the area of democracy and pluralism. This will futher unite us and make us stronger in the face of any aggression.

I think that the issue of the arms buildup has been manipulated and we have been criticized because we are calling for disarmament. Macias has misintepreted what Alvaro said. Alvaro didn't say that we should throw away our weapons and set an example in this way. He said we should carry the initiative in proposing disarmament and not that we should throw away our weapons. Macias gave the example of Guatemala. We can't ask Guatemala to set the example. We can't demand that it stop its domestic policy. When we speak of the military issue, we are not saying that we should throw away the weapons that will defend the country. That would be absurd. We are not saying that. What we want to point out when we bring up the arms buildup is that it should not serve as the sole and absolute basis for our future and history. This country must be reconstructed; armed defense is not the sole concern. We must promote an overall defense. We must achieve a strong economy which is an important pillar of defense of any country. We must fulfill the people's aspirations in the social area. That is also a strong pillar of defense in any country.

The countries that are experiencing a crisis or whose governments have caused a crisis are the ones that are an easy prey for foreign interference. This is what we have wanted to stress. There must be a balance. We have read speeches in which it is obvious that for many leaders the first, second and third most important thing is the military aspect. We think that has its place and it is to defend the country and the revolution.

However, this must be viewed from a more general aspect, from the integral defense of the process. I think that the defense from these threats and aggressions includes having an army to defend us as well as the more general concept of strengthening the economy and the domestic political system and the respect among all our organizations. This will make us less vulnerable in the face of any aggression. I think this is the position that we have been supporting and I think that we have clearly shown that we are not disregarding the external situation--what's more, neither you nor we can control it--but that there are some things that can be done domestically to make us stronger.

[Nunez] To make our position clear, we must stress that the national unity of all the country's social sectors, the real unity around a number of goals, will strengthen two tasks. One is socioeconomic stability and the achievement of the people's aspirations. However, this cannot be done without bearing in mind the other task: that of defense. We must understand that they are both crucial tasks for the Nicaraguan people, all the country's organizations and the revolution.

The Nicaraguan people and Nicaragua have not been the ones that have implemented the warmongering policy. It has been the United States through a platform and a foreign policy that states that it will support its allies in every possible way regardless of who they are. Everything revolves around strengthening its allies. Therefore, and I repeat it once again, when we discuss the Central American situation we must bear in mind the national and the Central American interests. This is a region that has traditionally been looted. This is a region that has been exploited, sacrificed and massacred. In this Central American region there are regimes that are considered U.S. allies. They not only receive economic aid but also military aid. This military aid includes defensive and offensive aid. The air forces of countries such as Guatemala are aided in this way.

Therefore, when discussing the country's defense tasks they cannot be solely seen from the viewpoint of the army but also from the people's viewpoint. Some of the questions being asked by the people are why do they continue to kill us? Why are people still being killed? This doesn't only include militiamen or members of the armed forces; they continue to kill civilians. The people say: We have achieved victory but they continue to kill us; don't we even have a bat? Don't we have training? Don't we even know the most basic techniques in this field? We cannot be romantic in this area.

Consider the example of the national interest. Suppose that no unity is achieved here. Suppose that the forum breaks down. Suppose that we continue throwing rocks at each other because the forum breaks down. Suppose that there is a possibility of an aggression. What should the attitude of all Nicaraguan citizens be in the face of an aggression? It is to defend their fatherland.

Suppose that the forum achieves a number of concurrences on various aspects. This won't eliminate the possibility of an aggression because there are other interests involved. Of course, it will strengthen the country just as the defense in the production and social sectors will strengthen the country's defense. However, it will not be a decisive factor.

Why? I have unceasingly asked the following question: Who encourages the counterrevolutionary gangs? If national unity is achieved here, will they say: Let's not encourage them; let's stop attacking Nicaragua because national unity has been achieved there? No, what they will say is: Let's increase our actions, let's find more financing, let's get more weapons, let's organize ourselves better to carry out stronger attacks and to provoke a crisis in that country. Those kinds of activities are going to increase because they are forces that are not controlled by anyone.

In this sense, I want to reiterate that when there is talk here about considering the main force that opposes the development of the Nicaraguan revolution, it is not found in the domestic forces of the country but in a force that tries to maintain hegemony. There are warmongering sectors in the United States that are supported by the Reagan administration and they form part of its platform and that, in this sense, determines our levels of defense. If these threats didn't exist we could say all this would be different. However, that is not the case. If an aggression occurs, how are we going to defend ourselves? With all our people. Do we have an army trained in the most sophisticated military techniques? The battle of Verdun was lost precisely because the weapons were considered to be the most important things but the weapons are useless if there are no men to use them, men with a revolutionary spirit and with a cause.

Therefore, when we say that this is the main enemy, we would like you to consider this because this is very important for the future of this revolution and so important when there is talk about the economic and social stability that can be destroyed in order to maintain a war economy if an aggression occurs.

[Solorzano] Companero Gutierrez has referred to, or rather has expressed doubts, about our condemnation of repressive actions in other countries such as El Salvador. We support a pacifist position. We think it is the only way to solve the socioeconomic problems of Nicaragua and of all mankind. We feel directly affected by the consequences of a war so close to our country. We would like the parties waging that war in El Salvador to follow the Nicaraguan example of dialogue to solve their problems. This is what our country's foreign policy should promote: The Salvadoran differences that cause this atmosphere of war should be solved through dialogue. It is true that our government has influence, based on ideological sympathy, with one of the two parties and it also has influence, based on diplomatic contacts, with those who can, in turn, have influence on the Salvadoran Government. How then can the Salvadoran opponents be guided to a dialogue which we think is an effective method that we are carrying out here in Nicaragua? That is the challenge for our country's foreign policy regarding the Central American area. Let us propose solutions in this regard.

[Altamirano] I would like to encourage the development of the spirit of detente that has been observed here for quite some time. We feel very satisfied by this advance and this is very important. It seems that the discussions are being held with the necessary dignity so that we can seriously debate the problems in depth.

I think Adan's [Fletes] ideas are very beautiful in the sense that the economic resources of a country should be used for social progress, education, health, housing, nutrition, transportation and so forth. That is the precise and only reason for the struggles of peoples and the revolutionary parties. I think these are beautiful ideas. Of course, this cannot be achieved easily and this is what I ask you to think about. We must state that to achieve a government that can open the door to that beautiful future of which Adan spoke and which frankly leaves me entranced and enraptured [laughter] is hard. After achieving such a government, making that kind of progress is hard and maintaining power to make those achievements effective is even harder. It is truly hard and difficult.

There are powerful enemies who have been ousted from power and who have lost their influence in this country. They have reacted with ire. Irate and furious, they are systematically scheming to destroy the democratic and anti-imperialist process of Nicaragua. Viewed from that angle, the issue of defense is to us an imperative necessity. Otherwise, we would be thinking of a fight between a tied donkey and a loose tiger. I don't think that is Adan's idea. I want to make him see that in the face of a perverse enemy that doesn't stop at the cruelest actions, one must arm himself. Armanents are to achieve the respect of those who want to eliminate someone else. They impose peace, cause one to be respected, and open the key for development and progress.

You must excuse me but I will give an example. I think that when a country like the Soviet Union resorts to strengthening its armaments, the first ones who regret this are the country's comrades, government and people. For them it is a dreadful loss that they have to use their income, the material creation of the people, to arm themselves and to defend themselves from the warmongering machinations of imperialism. One must realize that this signifies a contribution to peace.

The defense of peace is a gigantic, heroic, glorious and praiseworthy task. I gave you this example only to show you the importance of arming oneself. Here in our country, the defense of our revolution, the defense of the peace in the area, the defense from the aggressions is glorious. I would say that if in a difficult moment our people were asked to choose between eating and defending their sovereignty and revolution, it would be glorious, beautiful, exemplary, honorable and praiseworthy if they decided to defend their fatherland, freedom, democracy, progress and development regardless of the sacrifice. The important thing is the example for the other Central American and Latin american brothers who are suffering from military dictatorships, imperialist oppression and the constant threat of U.S. imperialism's warmongering. I ask you to think about this.

To conclude, I would like to suggest something: The points presented by Companero Carlos Nunez, which we support, should be taken into account. Let us continue the discussion of these concurrences on Thursday.

[Corrales] It is 1 minute to 1600. First, we would like to ask the companeros of both delegations if there is consensus about the fact that these points have been sufficiently debated and that the main arguments about them have been brought up. Second, we have once again agreed that independent of the sessions that you have on Thursday, the moderator will once again try to present to you a document that will be used as an additional document in your sessions and that will permit points of concurrences to be found just as we did this weekend. Third, we would like to point out that we have noted certain concerns, such as the subject of unity, which will be discussed tomorrow but on which there is a consensus. We also noted that there was joint concern also that the appropriate government bodies must preoccupy themselves with and take some action regarding peace in Central America, at the same time trying to obtain the participation of international organizations which might be able to cooperate in this regard.

We are also agreed that there is concern over and rejection of the attitude of manipulating news abroad regarding the real situation in Nicaragua, which discredits the revolutionary process and naturally encourages counterrevolutionary attacks against it.

We have also noted the position that independent of all the internal differences and difficulties between sectors, parties and organizations, the task of the defense of the revolution, as a purely Nicaraguan stance, is clear.

Consequently, we are taking with us these and other conclusions regarding what was debated here. Finally, we would like to close by saying that tomorrow, also according to consultations made and on which there was a consensus, we will only meet half a day, from 0800 to 1300.

19 KILLED, 29 WOUNDED IN PRISON UPRISING 27 JUNE

PA281821 Managua Radio Sandino in Spanish 1716 GMT 28 Jun 81

[Communique No 1 issued by the public relations office of the Interior Ministry in Managua on 28 June]

[Text] The Interior Ministry, complying with its obligation to inform the Nicaraguan people, announces that on Saturday, 27 June, at 1730, a group of inmates composed of common criminals and former members of counterrevolutionary bands who were on wing no 2 of the Heroes and Martyrs Rehabilitation Center in Nueva Guinea, attacked the guards of the national penitentiary system, seizing their weapons and taking them hostage in a criminal effort to escape from prison.

These inmates, hiding behind their inmates, took combat positions and demanded the immediate release of the Somozist prisoners in that prison and to be provided transport. After several hours of negotiations, and since their demands were inadmissible, the seditious elements were urged to put down their arms. Their response was heavy gunfire. This left no alternative but to return the fire, and the forces of the Interior Ministry carried out a crushing attack to put the situation under control.

The criminal nature of the inmates' action became evident because when some inmates tried to surrender, others opened fire and killed them. During the shootout, the following inmates were wounded: Marcial Enrique Carrion Perez, Vicente Paul Garcia Mendoza, Raul Ernesto Romero (Paguagua), Ramon Urbina Urbina, Carlos Luis Bojas Valladares, Guillermo Pabon Larios, Jose Avelardo Sanchez Castillo, Luis Ignacio Molina Lacayo, Jose Reynaldo Diaz Ibarra, Luis Enrique Mendoza Lopez, Jose Emilio Samora Ordenana, Oscar Miguel Castillo Calderon, Juan Ramon Soto Gonzalez, Cecilio Suazo Silva, Mario Jose Area Solis, Oscar Leonardo Zapata Hernandez, Francisco Javier Urbina Navarrete, Jose Francisco Soza Lopez, Gilberto Arnaldo Sinclair, (Rosa?) Hernan Tejido, Norberto Paulino Orozco Silva, Victor Hernandez Talero, Manuel Salvador Bonilla Cepeira, Marvin Padilla Terry, Allan Cambell, Christian Coleman, Miguel Angel Saenz and Jose Noel Perez Urbina. There were 29 [as heard] wounded. The wounds were not serious and the wounded are out of danger.

Some of the seditious elements died during the shootout. Others died when in a desperate effort to escape they attacked the authorities, who repelled them. The dead are: Jose William Hernandez Pabon, Felipe de Jesus Canales Baltodano, Ernesto Ramon Garcia Luna, Hernando Martin Pabon Vanegas, Denis Antonio Cajina Corrales, Tomas Amador Lopez, Calix Pedro Jarquin Urbina, Julio Cesar Aguirre Palacios, Juan Jose Mungia Diaz, Carlos Roberto (Kramer Ventor), Fabio Jose Valle Bustillo, Daniel Jose Mena Burnian, Jose Horacio Martinez Poveda, Carlos Ernesto Hernandez Castillo, Mario Antonio Galeano, Jose M. Baltodano Reyes, Carlos Jose Valladares Lopez, Darwin Gonzalez Herrera and Luis Barrera Lopez. There were 19 dead. The Sandinist forces had no casualties. Only Companero Juan Francisco Martinez was wounded. The companeros who had been taken hostage were rescued and are safe.

The operation ended at 2030 on 27 June. The authorities of the national penitentiary system have begun a thorough investigation to determine who was involved in this regretful event. To report on information related to this event, the news media must obtain confirmation from the Interior Ministry.

Investigation of Conditions

PA022254 Managua Radio Sandino in Spanish 1800 GMT 2 Jul 81

[Excerpt] The special State Council committee that is investigating alleged violations of the human rights of prisoners met this morning at 0900 at the office of the Commission for the Defense of Human Rights with the members of the commission, which is headed by Dr Leonte Herdocia.

Companeros Carlos Garcia, Jose Maria Ruiz, Angela Rosa Acevedo, Rafael Solis and Alvaro Arguello, all members of the State Council, talked for almost 2 hours with the members of the commission.

At about 1030, the members of the State Council's special committee and Dr Leonte Herdocia held an interesting conversation with the media of the capital. It was clearly established that the Nicaragua Commission for the Defense of Human Rights currently has on file 800 complaints, 800 special cases, but that most of them refer to illegal arrests. They said that only two specific charges of mistreatment in the prisons of the capital have been proven. These involve the cases of an engineer named Suhr and that of another citizen, according to the reports on file at the commission. Donald Rico Morales and Alberto Suhr are the two citizens whose human rights have allegedly been violated.

In addition, they said clearly that the problems that currently exist in the nation right now are of an economic nature. The problems stem from the real and objective situation of the revolution. Economic problems are standing in the way of the prisoners being adequately housed and receiving better food.

The government is trying to provide good facilities for the prisoners, Dr Leonte Herdocia said. We have already done some remodeling at the various centers, however, we are very aware that the situation is extremely difficult. The food situations has been improved and he Nicaraguan Red Cross continues to help out with medicine, he added.

However, he asked the media and anyone on good terms with the various international organizations to make efforts to obtain help in any form.

Companera Angela Rosa Acevedo, a member of the Luisa Amanda Espinoza Nicaraguan Women's Association and one of the members of the committee, said that Nicaragua is the only country in Latin America where a commission created by the United Nation's permanent secretariat exists.

'Death Squad' Behind Uprising

PA031800 Managua Radio Sandino in Spanish 1200 GMT 3 Jul 81

[Excerpt] The special commission of the Nicaraguan penitentiary system that investigated the incidents at wing no 2 of the Heroes and Martyrs of the Rehabilitation Center in Nueva Guinea in northern Managua has reported that a gang of common criminals who called themselves the Death Squad, which was made up of five inmates, organized the uprising at this jail on Saturday. This incident resulted in 16 inmates killed and 27 injured.

The commission, appointed by order of Commander of the Revolution Tomas Borge, interior minister, reported that the inmates who participated in the escape plan tried to flee by mingling among visiting relatives. Later, they tried to escape by faking illness so that they would be transferrred to the hospital, where they thought it would be easier to escape. However, the report adds, they abandoned these efforts because they felt that they had better chances by violently seizing the wing.

SOCIALIST PARTY OPENS 12TH CONGRESS ON 3 JULY

PA050404 Managua Radio Sandino in Spanish 1200 GMT 4 Jul 81

[Text] Parties of the revolution that participated in the opening of the 10th [as heard] congress of the Nicaraguan Socialist Party [PSN] agree on national unity and on defending the revolution.

The 12th PSN congress was opened yesterday afternoon at the (Tetel) Theater with the participation of the forces that form part of the patriotic front of the revolution.

Well-known politicians were on hand and a large number of workers and progressive intellectuals were also present. This is the first congress that the PSN has held legally and in an atmosphere of freedom. Speakers and leaders of the party admitted this. This is proof of the degree of political freedom that by our people have won.

The speakers at the event were: Louis Sanchez for the PSN general secretariat; Rodolfo Robelo Herrera, for the presidency of the Independent Liberal Party; Edgar Macias, for the Peoples Social Christian Party; Julio Morales, for the Socialist Youth; Clementina Rivas, for the Organization of Socialist Women; Dr Rafael Cordoba Rivas, for the government junta; and Companero Commander Victor Tirado Lopez, member of the National Directorate of the Sandinist National Liberation Front, [FSLN], who closed the ceremony.

At the PSN congress, all the speakers admitted the vanguard role of the FSLN, agreed on revolutionary defense in the face of internal and external threats to the revolution and condemned the capital depletion maneuvers of traitorous capitalists and landowners.

Luis Sanchez said that the strategic plans of the revolution cannot be accomplished if we do not realize that no historic objective can be reached if we do not secure the defense of the revolution and the defeat of the counterrevolution. He said the PSN, in face of capital depletion efforts and the attacks and provocations of imperialism, is prepared to defend the revolution to the ultimate consequences. Luis Sanchez commented on the fundamental thesis that the PSN will promote during the revolution's transition phase.

[Begin recording] We realize that without securing the success of the Sandinist people's revolution, without defending this revolution to the death against the reaction and without defeating the counterrevolution, no future program will be possible, regardless of how just and beautiful it might be.

While the reactionary classes are multiplying their efforts to take power, while they are increasing their efforts at economic destabilization and capital depletion, while the right wants to take its political blackmail to unheard of degrees, while the armed counter-revolution is emerging as a snake with many heads, and while imperialism is encouraging greater provocations, pressure and aggressions--at this monent--the first obligation of revolutionaries, regardless of their strategic or ideological goals, is to defend the revolution to the ultimate consequences. [applause]

For this reason, comrades, our 12th congress constitutes a commitment to the Sandinist people's revolution--to this true revolution that has defects but is loaded with virtue, that has limitations but is outstanding because of its greatness and that has difficulties but is opening great possibilities for a definte social change. This is a commitment to the tasks of today to make possible the achievements of tomorrow. This is a commitment to the struggle against counterrevolutionary capital depletion, for the strengthening of state and popular institutes, for the defense of the fatherland and the revolution, for an increase in the development of production and productivity, for the consolidation of revolutionary advances, for a revolutionary agrarian reform and for the full materialization of popular power. [applause]

Arce Addresses Congress

PA051855 Havana International Service in Spanish 1800 GMT 5 Jul 81

[Text] Nicaraguan Commander Bayardo Arce has stated in Managua that since U.S. President Ronald Reagan took power, the world has moved into a prewar situation. Arce, political coordinator of the political committee of the Sandinist front National Directorate spoke at the 12th congress of the Nicaraguan Socialist Party [PSN].

Referring to the explosive situation in Central America, he said that the invincible struggle of the Salvadoran people has created the threat of U.S. military intervention. Bayardo Arce added that Washington also threatens the progressive countries of the Middle East; Vietnam, Kampuchea and Laos in Southeast Asia; Angola and Namibia in Africa; and Cuba, Grenada and Nicaragua in America.

Regarding Europe, Arce said that the installation of 572 U.S. nuclear rockets on that continent represents a threat to the socialist countries. A ce noted that the United States has not yet displayed all its economy-strangling capacity against Nicaragua and that it is to be expected that there will be increased pressure on countries giving financial aid to that Central American country.

HONDURAN COMMITTEE CONDEMNS SOMOZIST SABOTEURS

PA010002 Managua Radio Sandino in Spanish 1800 GMT 30 Jun 81

[Text] The Honduran Committee of Solidarity with Nicaragua strongly condemned the criminal activities of the Somozist bands in a protest note sent to the Honduran minister of justice.

The note claims that over 500 former Somozist guards, armed to the teeth and entrenched in El Paraiso Department, are engaged in provocations and sabotage on Nicaraguan territory while spreading terror among the residents.

The committee exhorted the official authorities to put an end to these criminal activities.

CASTRO CONGRATULATES BARBADOS PRIME MINISTER

FL032328 Bridgetown CANA in English 2320 GMT 3 Jul 81

[Excerpt] Bridgetown, Barbados, 3 Jul (CANA)--Cuban President Fidel Castro has congratulated Barbados Prime Minister Tom Adams on his reelection at last month's general elections, the Government Information Service (GIS) reported today.

President Castro said in his cable: "On the occasion of your reappointment to the office of prime minister of Barbados, I wish to congratulate you and at the same time to express that our relations will continue to develop to the mutual benefit of our people."

FAR COMMENTARY ON PRC-UNITED STATES RELATIONS

FL041525 Havana Domestic Service in Spanish 1045 GMT 4 Jul 81

[Revolutionary Armed Forces (FAR) and Interior Ministry Combatants Political Information Program commentary]

[Text] The Beijing leaders want to look more and more like their Washington godfather, and now they are drinking Coca-Cola as the paper tiger does. Together with chewing gum and generalized violence, Coca-Cola is one of the most representative symbols of the U.S. way of life. Those who, until a few years ago, were talking about the dangers of imperialism's cultural penetration in Asia, today set in motion a bottling plant of that refreshment with Yankee capital.

Now a Chinese can drink Coca-Cola for the modest price equivalent to 44 U.S. cents, despite the fact that workers' wages are not enough to live on. But the North Americanization of the Chinese people goes much further than that. It includes English language lessons on the radio seven times a day, English language programs on television, and a drive has been launched that calls for more Chinese speaking that Western language before the century's end than in the rest of the world.

The Chinese leaders had chosen that path long before that. Let us recall Deng Xiaoping's visit to the United States in 1979, when he wore a cowboy hat and rode on a stagecoach during a rodeo. Now that position has been strengthened, and today's crime rate in China is growing at the vertiginous pace of the society they are trying to imitate. Violence is being institutionalized and the vices of the "American way of life" are gradually assuming command of the giant hidden behind the wall, where one can already observe without much fanfare smuggling and prostitution activities, among other ills.

Some 30 million Chinese are unemployed. The country's foreign debt is well above $30 per capita in a population that according to the Central Intelligence Agency amounts to 982.5 million inhabitants. Some 150 million Chinese are illiterate. Public health has been choked by the so-called traditional medicine, which overflows with antiscientific concepts.

But it is not only in domestic policy and economic and cultural penetration where the Beijing leaders are attempting to look like the United States. As the United States, China attacked Vietnam. The only thing is that against the Vietnamese, those who imitate fail twice. Beijing, despite the historic lesson given to it south of the border, persists on its hegemonic policy and, as its Yankee masters, continues its campaign of aggressions, pressures and threats against other peoples in Southeast Asia; consolidates its politicomilitary alliance with the Pentagon; and undertakes an insane arms race to be able to put into practice its hegemonic yearnings in the future.

It would be opportune to ask: Can a Chinese worker, who earns an average $40 per month, spend almost 1/2 a dollar to drink a Coca-Cola? Are the 40 million presently unemployed Chinese enjoying that consumer society's delight? But that is not important. The Beijing Mandarins continue to North Americanize the country, and perhaps someday they will try hard to imitate their godfather and to establish the United States of Asia.

BELTRAN HEADS DELEGATION TO CEMA MEETING

FL031330 Havana Voice of Cuba in English to North America and the Caribbean 0700 GMT 3 Jul 81

[Text] Cuba's Deputy Minister of Basic Industries Jose Luis Beltran [as heard] is heading this country's delegation to the permanent commission on cooperation in electrical energy of the Council for Mutual Economic Assistance. The group of experts will take part in all of the commission's work. They will discuss problems of energy, thermo-electric and hydroaccumulated plants and scientific-technical cooperation.

PEREZ MAZA ANNOUNCES EDUCATIONAL AID TO ANGOLA

FL041221 Havana Voice of Cuba in English to North America and the Caribbean 0700 GMT 4 Jul 81

[Text] Cuban Deputy Minister of Higher Education Benito Perez Maza told PRENSA LATINA in Launda on Friday that about 100 Cuban professors will give university courses in Angola starting September. Perez Maza just wound up a visit to that country. Before leaving, he said different ways of broadening cooperation in higher education, such as technical and scientific exchanges and in the sphere of textbooks, are being studied.

The Angolan authorities say the Cuban professors will help train the country's educators.

REPORT ON SPECIAL SERVICE PROGRAM ON DENGUE DISEASE

FL040105 [Editorial Report] Havana Domestic Television Service in Spanish at 0133 GMT on 3 July presents a special 77-minute program prepared in conjunction with the Cuban Ministry of Public Health [MINSAP] on the dengue fever epidemic. The program has a question and answer format: A panel of doctors and one officer from the Committees for the Defense of the Revolution [CDR] and the Federation of Cuban Women [FMC] answer the questions put to them by members of mass organizations representing the general public. Most of the questions concern the nature of the disease, its symptoms in children and adults, treatment and manner of transmission, and the activities organized by the CDR and the FMC to help in the campaign against the aedes aegypti mosquito.

One doctor reports that at the onset of the outbreak, a national multidisciplinary committee was formed which meets daily and dictates the measures that need to be taken. Asked about the death rate, another doctor says that to date 34 people have died in Cuba from dengue fever but that this figure is 5 times less than the lowest number of deaths reported in other countries and he gives credit for this to Cuba's socialist system.

PEACE ORGANIZATION SUPPORTS SOVIET UNION'S APPEAL

FL031445 Havana Domestic Service in Spanish 1400 GMT 3 Jul 81

[Text] The Movement for Peace and Sovereignty of Peoples [MPSP] has released a statement in Havana supporting the USSR Supreme Soviet's appeal to all parliaments and nations of the world to hold negotiations to halt the arms race. In view of the new escalation in the production of mass-extermination nuclear arms and the danger of a world war, it urges the forces wishing to promote the development of nations to join their parliamentarians in efforts toward peace.

The document published by the Cuban MPSP says that the USSR Supreme Soviet's appeal confirms the trust of mankind in the peaceful policy of the Soviet Union.

SOLIDARITY WITH URUGUAY EVENT HELD IN HAVANA

PA012052 Havana International Service in Spanish 1600 GMT 30 Jun 81

[Text] A ceremony in solidarity with the Uruguayan people's struggle was held Monday at the headquarters of the Cuban State Committee for Material and Technical Supply here in Havana.

(Verando) Fernandez, a member of the Secretariat of the National Union of Commerce and Gastronomy, denounced the repression practiced in Uruguay, where thousands of patriots like Gen Liber Seregni and revolutionary leaders Raul Sendic and Jaime Perez are imprisoned and subjected to barbarous torture.

For his part, (Adonar Baz), leader of the Communist Party of Uruguay, denounced the complicity of U.S. imperialism with the fascist regime in Montevideo and emphasized the people's rejection of the constitutional plebiscite staged by the dictatorship last year.

INTERVIEW WITH PANAMANIAN COMMUNIST YOUTH LEADER

FL021955 Havana Domestic Service in Spanish 1700 GMT 2 Jul 81

[Text] Invited by the National Committee of the Cuban Union of Young Communists [UJC], (Alexis Dickson), first youth secretary of the Panamanian People's Communist Party, has visited this country. During his stay here, the youth leader had meetings with UJC National Committee members and visited places of economic or social interest in order to gather experiences regarding the work of the Cuban youth to build a socialist society. He also visited Santiago de Cuba Province, where he saw the sugarcane fields of the Julio Antonio Mella enterprise at Baragua, where the Giron youth contingent is stationed. There Political Information [name of radio program] interviewed the Panamanian youth leader, who said:

[Begin recording] It should be mentioned that the Panamanian youth is waging a struggle right now to obtain our country's total decolonization. This is part of the struggle which has been going on since the signing of the Torrijos-Carter treaties. Our party has always maintained that the struggle did not end with the Torrijos-Carter Panama Canal treaties, that colonialist pockets still remained and that the struggle would continue, as long as there was a single Yankee soldier in our territory. In fact, our youth together with other democratic youth forces in our country is carrying out a struggle on various fronts right now with the aim of making the decolonization process complete and maintaining anti-imperialist and anticolonial awareness among our people in order to proceed with the final expulsion of imperialism from our country before the year 2000.

They are also working on the strengthening of democracy in our country in order to achieve what we have termed progressive democracy. This activity is closely linked with the problem of popular government and its development and improvement, with the problem of the National Legislation Council, and with popular participation in government activities. This is meeting with much difficulty, because we must understand, as well as you do, that this process implies a class struggle with rightist, bourgeois and imperialist sectors which have infiltrated various social structures in our country and have all the necessary propaganda and news media, which makes this struggle toward the development of democracy still more difficult. However, our youth and our party continue to advance along this road and the main result of this is the legalization process for our party for this year, and this is one of the main tasks of the Communist Youth: to have our party registered according to Panamanian law and achieve full legality so we can continue with the next stages of the struggle. [end recording]

FIDEL CASTRO RECEIVES JAPANESE DIET DELEGATION

FL031107 Havana Domestic Service in Spanish 1045 GMT 3 Jul 81

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has received the delegation of Japan's Diet headed by Mr (Aruo Okada), vice president of the lower chamber. Fidel's meeting with the Japanese parliamentarians was held in a cordial and friendly atmosphere.

BRIEFS

ROMANIAN EXHIBIT--An exhibit on the achievements of the Romanian people opened at the Lazaro Pena Cadres School of the Central Organization of Cuban Trade Unions [CTC] in honor of the 36th anniversary of Romania's liberation from the fascist yoke. Felipe Gonzalez, of the CTC National Council and the school's director, noted Romania's transformation into an advanced agroindustrial nation after this victory. Romanian Ambassador to Cuba [as heard] (Gheorghe Radu) highlighted the policy of peace practiced by his people and the socialist camp, and the close relations between Cubans and Romanians. [Havana Domestic Service in Spanish 2130 GMT 3 Jul 81 FL]

YUGOSLAV PARTY OFFICIAL--Orlando Fundora Lopez, alternate member of the Communist Party of Cuba [PCC] Central Committee and chief of the party's Department of Revolutionary Orientation, today received Zivko Babic, executive secretary of the Presidium and member of the Central Committee of the League of Communists of Bosnia-Hercegovina. Babic is visiting our country as part of the exchange program between the PCC and the League of Communists of Yugoslavia. [Text] [Havana Domestic Service in Spanish 2130 GMT 3 Jul 81 FL]

MPSP DECLARATION ON MAIDANA--The Movement for Peace and Sovereignty of Peoples [MPSP] issued a declaration in Havana supporting the demand that the life of Paraguayan Communist Party Secretary General Antonio Maidana be respected and that he be released. In its declaration, the MPSP condemns the Alfredo Stroessner tyranny for his regime's brutalities against the Paraguayan patriots who are fighting for their freedom. [Text] [Havana Domestic Service in Spanish 2130 GMT 3 Jul 81 FL]